MARKET GARDENERS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2026

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Financial highlights

	2026 $000's
• **Group gross sales under management**	$807,194
• **Group profit before income tax**	$30,675
• **Group profit for the year (after income tax)**	$23,450
• **Group total equity**	$259,427
• **Group total assets**	$457,028

Shareholder distributions	2026 $'000	2025 $'000
• Special Bonus Issue (November 2026)		
• 1 for 12 on "A" shares (2025: 1 for 12)	7,337	6,374
• 1 for 3 on "B" shares (2025: 1 for 3)	4,517	5,162
• 1 for 1 on "C" shares (2025: 1 for 1)	998	994
• Supplier shareholder rebate (issued as 2026 "C" shares) (2025: issued as 2025 "C" shares)	250	250
• Bonus issue on supplier shareholder rebate of 3 for 1 (2025: 3 for 1)	750	750
• Final gross dividend on "A" shares: 3 cents per share (2025: 3 cents per share)	2,641	2,295
• Imputation credits attaching to the above distributions	6,978	6,701
Total shareholder distributions in relation to the year ended 30 June	23,471	22,526

Chair's and Chief Executive Officer's review

In our 103rd year of business, the MG Group delivered a record result, with our core New Zealand market operations achieving the highest annual sales in the co-operative's history. The year provides further evidence that our strategy is translating into growth, increased volumes and a stronger position in the market.

Fresh produce remains an inherently unpredictable industry and trading patterns again moved considerably during the year. The first nine months of the financial year were particularly strong, with improved values across many fruit and vegetable categories, before the market softened over the final three months as demand eased. Periods of oversupply also remained a challenge, with conditions varying by product and season. Despite this volatility, MG delivered a strong performance and continued to make meaningful progress in strengthening our co-operative.
The contribution of our market business was a highlight. Sales reached a record $727.0 million, compared with $662.6 million last year, which was achieved across a 53-week financial year. It was a result that required all parts of MG to work together and reflects the capability and commitment of our people to deliver for our growers, customers and shareholders.

The improvement reflected a combination of higher product values in some key categories, increased volumes, and an excellent performance from imported fruit.

At Group level, gross sales under management reached $807.2 million and profit before tax increased from $22.1 million last year to a record $30.7 million. This is the first time in MG's history that Group profit has exceeded $30 million. Profit after tax was $23.5 million, while Group equity increased to $259.4 million from $244.1 million last year and total assets increased to $457.0 million from $431.9 million.

Every subsidiary and associate business contributed positively to the result at varying levels, reinforcing the value of having a diverse portfolio of complementary businesses alongside our core market operations. The performance and key developments within each of these businesses are covered in more detail later in this Annual Review.

Our financial performance also reflects the discipline applied to costs and operating efficiency. Project Stoneturn, which began in the previous year, continues to focus on reviewing expenditure and delivering improvement initiatives across key cost areas. Importantly, the benefits from this work are becoming more embedded across the business and continue to be realised. As the business grows, clear planning, accountability and cost discipline remain essential to ensuring additional sales translate into value for the co-operative.

We continued to invest in areas that strengthen supply and our ability to serve the market. This included expanding the JS Ewers growing operation by integrating the Kinzett tomato business and converting five hectares at SPL to tomato production. Further expansion is planned, with 7.4 hectares of new glasshouse proposed at JS Ewers next financial year and up to a further 17 hectares at SPL as market conditions allow. Across our market network, MG purchased land for a new Palmerston North facility, expanded Tauranga and nearly doubled our Hamilton footprint

by taking over the full market floor. The M3 platform was also transferred from a single tenant to a multi-tenant environment, further strengthening the systems that underpin our market operations.

The quality of our customer relationships was recognised during the year through two supplier awards. The MG Group was named Fresh Supplier of the Year by FreshChoice for the second consecutive year and received the Foodstuffs South Island Fresh Partner Excellence Award. While we do not set out to pursue accolades, recognition from two important customers provides validation of the service standards and relationships our teams work hard to maintain.

Our independently conducted grower research also returned positive results. MG continued to rate ahead of competitors across the key business standards measured, while confidence in MG reached its highest level at 91%. Our Net Promoter Score was +38, broadly in line with the longer-term trend.

The strength of the result has again allowed the co-operative to reward its grower-shareholders, with $23.5 million to be returned through dividends, bonus issues, rebates and associated imputation credits. Returning value to shareholders remains a central part of our co-operative model, balanced with the need to retain the financial capacity to invest in the business and protect its future.

The co-operative's ability to generate those returns ultimately depends on the participation and loyalty of its grower-shareholders. Competition for produce is increasing and alternative channels to market continue to test traditional supply relationships. The principle remains straightforward - the greater the loyalty shown to MG by its members, the greater our ability to compete effectively, strengthen our market position and create collective value for everyone involved.

The Board and Executive Management also reviewed the MG Group strategy during the year. The overall direction remains fit for purpose, with refinements made to reflect the environment in which we now operate and support our vision of being New Zealand's leader in horticulture, a preferred partner and a great place to work.

This year's result reflects the combined efforts of our grower-suppliers, grower-shareholders, customers, supply chain partners and teams across the MG Group. Our priority is to build on this position while maintaining the disciplines that created it, continuing to invest carefully, strengthen the co-operative and deliver value for shareholders well into the future.

Financial overview | Distributions | AGM

Financial Overview

For the year to 30 June 2026, group gross sales under management increased to $807.2 million (2025: $724.9 million). For the same period, group net profit before tax reached a record $30.7 million, compared with $22.1 million in 2025. This is the first time Group profit before tax has exceeded $30 million. As outlined earlier in this

Annual Review, the result was supported by record sales from the New Zealand trading business and positive contributions from every subsidiary and associate business at varying levels.

Total group equity increased to $259.4 million (2025: $244.1 million), with total assets also increasing to $457.0 million (2025: $431.9 million). These figures reflect another year of profitable trading and continued prudent management of the balance sheet.

The result leaves the co-operative in a sound financial position and provides capacity to continue investing strategically across existing businesses and opportunities aligned with MG's strategy. It also supports an increase in shareholder distributions, which for the 2026 financial year total approximately $23.5 million (2025: $22.5 million), as detailed on the following page.

In addition to this annual report, the MG Group presents an annual review containing a summarised set of financial statements. If you would like a copy of the annual report, visit the website, www.mggroup.co.nz, or contact the Company Secretary, Duncan Pryor, on (03) 343 1794 or email dpryor@mggroup.co.nz.

Distributions

Given the strength of the Company and the record results from the New Zealand operations, the MG Board of Directors has resolved to return to its shareholders distributions totalling $23.5 million (2025: $22.5m) by way of rebate shares, special/bonus issues, dividends, and imputation credits. This is the twelfth consecutive year that shareholders have received a special bonus issue.

On 13 August 2026, the Board declared the following distributions in relation to the year ended 30 June 2026:

- **Special bonus issue** – a fully imputed taxable special bonus issue of:
    - 1 new "A" share for every 12 existing "A" shares (2025: 1 for 12); and
    - 1 new "B" share for every 3 existing "B" shares (2025: 1 for 3); and
    - 1 new "C" share for every 1 existing "C" share (2025: 1 for 1).
- **Supplier shareholder rebate** – a taxable rebate of $250,000 to be applied by the Company in paying up in full "C" shares of the Company to be issued at $1.00 each and made in such a manner as the Directors determine those shareholders that are Current Producers that have supplied on a consignment basis during the financial year ended 30 June 2026.
- **Bonus issue** – a three for one fully imputed taxable bonus issue on the "C" shares issued out of the above rebate. This amounts to $750,000 worth of "C" shares being issued (Shareholders that are Current Producers receive three further "C" shares for every one "C" share they receive from the above rebate). As imputation credits have been attached to the bonus issue shares, they are largely tax paid in the hands of the shareholder.

- **Final dividend** – a fully imputed taxable gross dividend of three cents on every "A" share. Once again, imputation credits are attached to this dividend.

The above distributions will be made only to those shareholders entered on the share register effective 30 June 2026 who continue to hold, at the date of the 2026 Annual Meeting, the shares held at 30 June 2026.

The special bonus issue, rebate, bonus issue, and dividends represent $23.5 million being distributed back to the MG Group's loyal and supportive shareholders. Not only is this a significant distribution of wealth to shareholders, but it also demonstrates the underlying strength of the co-operative.

In addition, and as has occurred for many years now, we are pleased to note the support of the shareholders through their high level of reinvestment of their dividends back into more MG "A" shares through the dividend election plan (which any shareholder can elect to participate in).

Annual Meeting of Shareholders

Market Gardeners Limited's Annual Meeting of Shareholders will again be a hybrid event with shareholders able to attend in-person or online using the Zoom platform.

Date: Friday, 20 November 2026

Time: Commencing at 5.00pm

Attending the AGM in-person

If you wish to attend the in-person AGM, it will be held at the Commodore Airport Hotel, 449 Memorial Avenue, Christchurch.

Shareholders are welcome to join MG Group directors, Executive Management, and staff to formally or informally discuss topics of interest. There will be drinks and canapés following the meeting at approximately 6.00pm. All shareholders and their partners are warmly welcome to attend. Details are included in the Notice of Meeting. RSVP registration is appreciated for catering purposes. If you wish to attend, please complete the online form at www.mggroup.co.nz/agmrsvp or contact our Company Secretary, Duncan Pryor, on (03) 343 1794 or email dpryor@mggroup.co.nz

Attending the AGM online

Shareholders can attend this year's meeting online using the Zoom platform. Shareholders are required to register in advance. The full presentation will be available, and shareholders will have the opportunity to ask questions through an online portal.

Information about how to register and log in to the event will be distributed to all shareholders in advance of the meeting.

A link to the registration form will also be available on the AGM page of the MG Group website.

Board and Executive Management

While it is important that we deliver value today, the Board's role is equally to ensure the co-operative is positioned to deliver for growers and shareholders well into the future. This requires clear strategic direction, challenging assumptions and disciplined decisions about where the MG Group invests its time and capital.

During the year, the Board and Executive Management reviewed and refined the MG Group's overarching strategy. While the existing plan remained broadly fit for purpose, the updated strategy strengthens key areas and sharpens our priorities in support of our vision to be a leader in horticulture, a preferred partner and a great place to work. An important change was the introduction of Strong and Enduring Relationships as a dedicated strategic pillar. Relationships were previously reflected across several areas of the strategy, but giving them their own pillar and dedicated objectives better recognises their importance to the success of the co-operative.

Strategic choices must be robust, risks properly considered and investment decisions commercially disciplined. The Board and Executive Management have remained stable, with regular communication and healthy debate helping strengthen decision-making and achieve alignment on key outcomes.

This year Jasmine Franklin also joined the Board as the MG Group's Associate Director, commencing in January 2026. The programme gives an emerging leader practical governance experience through participation in Board discussions and working alongside experienced directors. Jasmine is a Director of Franklin Farm, a sixth-generation family growing business and long-standing MG grower-shareholder, and brings another grower perspective to Board discussions.

Shareholder engagement remains an important part of this process. Our 2026 grower meetings, held in four key growing regions, provided a valuable forum for the Board and Executive Management to share information, hear different perspectives and discuss issues affecting growers and the co-operative. Shareholders are also encouraged to engage throughout the year through their usual MG contacts, at the Annual Meeting of Shareholders, or directly with members of the Board or Executive Management.

The Board has also initiated a project to progressively return capital to non-transacting shareholders. This reflects the principle that membership, ownership and use of the co-operative should remain closely linked, helping ensure ownership remains concentrated among shareholders who actively transact with MG.

Treasury stock has continued to provide another mechanism to support this objective. Following the successful issues completed since the initiative was introduced in December 2023, the Board will undertake another issue in November this year. The response to previous offers demonstrates the value eligible Current Producer Shareholders place on the opportunity to increase their investment in the co-operative.

In accordance with the constitution, directors Mark O'Connor and Robin Oakley retired by rotation and, being eligible, offered themselves for re-election. As no other valid nominations were received, their re-election will be confirmed at the 2026 Annual Meeting of Shareholders.

Bruce Irvine, Chair, Appointed Special Director

Bruce joined the MG Board in 1994. He has an extensive business background and previously held the position of Managing Partner of the Christchurch office of Chartered Accountants, Deloitte, between 1995 and 2007. He is also past Chair of Christchurch City Holdings Limited. Bruce is currently Chair of Heartland Bank and Skope Industries, and is a director of a number of other public and private companies including House of Travel Holdings and Scenic Circle. He is also a member of the University of Canterbury Council. Bruce is MG's Board Chair.
Member of MG's Remuneration & Nomination Committee and Audit Committee.
Chartered Fellow of the IOD*.

Trevor Burt, Appointed Special Director

Trevor has high-level experience in the strategic leadership of large and complex corporate organisations, and a proven record of implementing change and achieving results. As an experienced professional director, Trevor has held a number of previous roles including Chair of Ngāi Tahu Holdings Corporation Ltd, Lyttelton Port of Christchurch Ltd, Deputy Chair of PGG Wrightson Ltd and Director of Silver Fern Farms Ltd. Trevor is currently Chair of The Lamb Cooperative Inc, and is also a Director of Landpower NZ Ltd, NZ Drinks Ltd, Bremworth Ltd and Hossack Station Ltd.
Chairman of the MG Remuneration & Nomination Committee and member of the Audit Committee.
Chartered Fellow of the IOD*.

Lynn Crozier, Deputy Chair, Elected Director

Lynn joined the MG Board in 2012. Lynn was a major grower of potatoes, onions and carrots in Central Canterbury through a family-owned and operated business dating back to the 1960s, and has recently passed the reins to his family.
Member of the IOD*.

Mark O'Connor, Elected Director

Mark is serving his fourth term as an MG Director, having originally joined the MG Board in November 2014. He is a Director and shareholder of Appleby Fresh Ltd, a family-owned market gardening business in Nelson on the Waimea Plains.
Member of the MG Remuneration & Nomination Committee.
Member of the IOD*.

Joanna Lim, Elected Director

Joanna (Jo) was elected to the MG Board in 2018. Jo's horticulture background is through a family history in a market garden business (Jade Garden Produce) and a cucumber glasshouse operation (Island Horticulture Limited), both in the Christchurch area. Jo is also a Special Counsel at national law firm Simpson Grierson and specialises in financial markets / services and corporate advice. She also has expertise in climate change issues and the New Zealand emissions trading scheme.

Chair of the MG Audit Committee.

Member of the IOD* and certified member of INFINZ (Institute of Finance Professionals New Zealand).

Trudi Webb, Elected Director

Trudi is part of a fourth-generation family growing enterprise, Webb's Fruit, near Cromwell in Central Otago. Trudi holds a first-class honours Bachelor of Applied Science (Horticulture) degree, and is Chairperson of Summerfruit NZ. Trudi completed the MG Director Internship programme (now Associate Director programme) in 2019 and became an elected director in the same year.

Member of the MG Remuneration & Nomination Committee.

Trustee of the MG Charitable Trust.

Member of the IOD*.

Robin Oakley, Elected Director

Robin was elected to the MG Board in 2020. He is a fifth-generation vegetable grower and currently the Managing Director for Oakley's Premium Fresh Vegetables Ltd. Robin has previously served as Chair of the Canterbury District Growers Association and as a director on the United Fresh and Potatoes New Zealand boards.

Trustee of the MG Charitable Trust.

Member of the IOD*.

Jay Clarke, Elected Director

Jay was appointed to the MG Board in November 2022. Jay is a qualified accountant and director of a large family-owned growing operation, Woodhaven Gardens. Jay also serves as a Board member for Vegetables New Zealand.

Member of the Audit Committee.

Member of the IOD*

Member of Chartered Accountants Australia and New Zealand.

* Institute of Directors

People

Our people played an important role in another good year for the MG Group. Across the business, teams worked hard to deliver for growers and customers while supporting further growth in our operations. This was achieved with a stable workforce and an ongoing emphasis on building capability throughout the organisation.

Our employee engagement survey delivered this year provides a useful measure of how our people view MG as a place to work. For the first time, it was extended to employees across our subsidiary businesses, aligning with our focus on operating more closely as one MG Group. Participation reached its highest level to date, while the results improved from the previous survey two years ago across most of the key areas measured. Overall, the findings point to a largely happy and engaged workforce. They also provide valuable insight into where we can improve and will help guide our priorities for our people in the period ahead.

Developing our people was a particular priority this year, supported by increased investment in training. Programmes covered leadership, communication and sales, alongside national AI training designed to help our people understand and make practical use of emerging technology. More of this training was delivered in tailored group settings, bringing employees together from around the country. As well as building skills, this provided an opportunity for people in similar roles to learn alongside their peers, exchange ideas and strengthen connections across the business.

Our graduate programme remains an important part of developing future capability. Eight graduates joined MG during the year, with placements across Auckland, Hamilton, Nelson, Christchurch and Dunedin, and, for the first time, within MG Group Exports. The programme brings new talent and energy into the business while helping us build greater depth for the future.

We also spent time during the year developing a dedicated farming graduate programme. Recruitment and delivery will begin in the coming financial year, extending our approach to developing young talent into our growing operations. This is particularly relevant as succession remains a recognised challenge across horticulture, including for MG, and requires deliberate planning and investment.

Health and safety remains fundamental to how we operate. DoneSafe has now been implemented across all MG branches and growing operations, giving us greater consistency and visibility across the Group. Improved reporting is helping strengthen our systems, identify opportunities for change and reinforce accountability at site level. The next major step will be progressing towards alignment with ISO 45001, providing a recognised framework to further strengthen our approach to managing health and safety.

Looking ahead, we will continue investing in professional development and building depth in key areas of the business. This includes technology and IT, where the pace of change reinforces the importance of maintaining the skills and capability needed to support MG's operations and future direction.

MG Market Operations

MG is New Zealand's leading wholesaler and distributor of fresh produce. The New Zealand operation is made up of a network of 11 branches strategically located throughout the country and has a presence in the USA. This includes nine large temperature controlled warehouses, along with two MG Direct branches. It is also a leading distributor of recognised international brands, including Dole® and Sunkist®.

MG Growing Operations

SPL

Located in Warkworth, Southern Paprika Ltd, trading as SPL and owned by MG since 2023, consists of 26 hectares of glasshouses. The operation predominantly grows capsicums, with five hectares converted to tomato production during the year, along with a small volume of snacking cucumbers.

JS Ewers

JS Ewers Ltd is a large growing operation based in Nelson, with 15 hectares of glasshouses (including two hectares in Blenheim), more than 250 hectares of outdoor production and five hectares of strawberries grown under cover. It has been growing and selling premium fresh produce throughout New Zealand for more than 50 years and has been under the management of MG since 2012.

Kaipaki Berries

Kaipaki Berryfruits Ltd (Kaipaki Berries) is a fully covered berry farm near Cambridge, growing strawberries, raspberries and blackberries. The property has eight hectares under cover growing premium varieties. MG took full ownership in 2024.

MG Export Operations

MG Group Exports, rebranded from Te Mata Exports in 2026, is an export business within the MG Group. It has operations in New Zealand and Australia, teams in Japan and Vietnam, and a new team in the USA. Through its wider global network, the business sources fresh produce from New Zealand, Australia, North America and South America, specialising in a range of categories for international markets.

MG Group Associate Businesses

United Flower Growers Ltd (UFG)

UFG is a joint-venture company formed by the combination of the flower operations of grower-owned companies United Flower Auction Limited and MG. It is New Zealand's largest flower auction and wholesale flower business. It has auction and wholesale facilities in Auckland, Wellington and Christchurch, as well as a wholesale facility in Invercargill.

First Fresh New Zealand Ltd (First Fresh)

First Fresh was formed in 1989 to pack and market an expanding volume of locally grown product, both domestically and offshore. Based in Gisborne, First Fresh is the largest citrus and persimmon supplier to the domestic market, as well as a leading exporter for these products.

New Zealand Fruit Tree Company Ltd (NZFTC)

NZFTC was established in 1996 and manages intellectual property rights, representing a wide range of global plant breeders in the New Zealand market for summerfruit and pipfruit in particular.

New Zealand Market Operations

Our New Zealand market operations delivered another very good result in 2026, with sales reaching $727 million and MG handling a record number of units. Market conditions were variable, although generally favourable growing conditions supported increased supply and higher values across a number of categories. Summerfruit, berries and green vegetables performed particularly well. At the same time, cost-of-living pressures continued to influence demand across the industry.

The positive result reflects the work of our teams across the branch network, together with support from growers. We grew supply from existing grower-suppliers and attracted new growers in several key categories. This was supported by our strategy to build cornerstone supply positions through a combination of intellectual property, our growing operations and developing category opportunities with key customers.

Operational efficiency was again a focus during the year. A dedicated role has been introduced to work across the branch network on warehouse optimisation, standards, layout and performance. Importantly, the higher volumes and sales were handled with largely the same workforce, reflecting both the effort of our people and improvements in productivity across the business. The contribution of our sales, procurement, key accounts, branch admin and operational teams was also reflected in the customer recognition received from FreshChoice and Foodstuffs South Island during the year.

Alongside this has been a strong emphasis on maintaining high standards of customer service across our sales teams. Reliability and product certainty matter to our customers and influence the decisions they make about where they place their business, so we continue to reinforce the importance of delivering consistently and being responsive to their needs. This needs to be balanced with a clear commercial lens, ensuring the service we provide works for our customers while also supporting good outcomes for growers and the co-operative.

As touched on earlier, we also continued to seek direct feedback from grower-suppliers through the fourth edition of our independent grower research. Confidence in MG reached 91%, our highest rating across the four years of research, while our Net Promoter Score remained high at +38. Growers continue to rate their relationships with MG strongly, but the research also reinforced the need to remain focused on supporting them commercially and delivering tangible value through the relationship, which we are committed to do. While positive feedback is

encouraging, the real value of the research is in identifying where we can improve and providing our teams with practical information to help strengthen the business.

Supporting growers beyond the day-to-day trading relationship remains an important part of how we add value. This year's Growing You grower education programme focused on hothouse growers and combined technical, commercial and people-focused content across two days. Engagement was strong throughout, with positive feedback particularly around the variety of sessions and their practical relevance to grower businesses.

As our market business grows, it is important that our branch network remains aligned with where growers and customers need us to be. During the year, we undertook an in-depth review of the national network, considering infrastructure resilience and people capability alongside factors such as population growth, competitor presence and opportunities across key produce categories. This work is helping guide where we invest, how we strengthen individual locations and where we target future growth.

Investment in the branch network has continued as we ensure our facilities can accommodate growth and operate efficiently. The purchase of land in Palmerston North is an important step for a branch that has performed well in recent years and has outgrown its existing site. Plans are being finalised for the development, which will provide additional floor space and a new banana ripening centre, with initial project work underway.

In Tauranga, the additional footprint provides capacity for a branch that has grown year-on-year since opening in 2018, while also allowing us to improve the layout and modernise refrigeration. In Hamilton, we doubled our market floor footprint by bringing the adjoining MG-owned space back into our operation. This provides welcome additional capacity, particularly during peak periods. We have also upgraded the refrigeration system at Invercargill and invested in a new energy-efficiency system for the main chillers at our Christchurch branch.

Technology remains another important part of improving our market operations. During the year, M3 transitioned from a single-tenant to a multi-tenant environment, representing a major change in how our core operational system is managed. The new architecture allows MG to remain on the current version of M3 without the cost and disruption associated with traditional major upgrades, while providing greater scalability, improved monitoring and built-in redundancy and disaster recovery capability. We are also continuing to explore better use of data, particularly grower information, and work is under way to upgrade the Grower Delivery Advice system with enhanced features and improved resilience.

Looking ahead, a priority is strengthening the MG Group's preparedness for business disruption. This will include an updated Group-wide review of key operations, technology dependencies, infrastructure, people capability and response processes, with the aim of completing a new business continuity roadmap and recovery plan by year-end. The past year has demonstrated our ability to handle more produce, grow the business and invest in the capacity needed to support future activity. The priority remains straightforward and that is to keep improving how we operate while earning the ongoing support of growers and customers.

Growing Operations

Our growing operations remain an important part of the MG Group's strategy to secure supply. Where we can establish meaningful scale and cornerstone supply in key categories, our production strengthens MG's relevance with major retail customers. Combined with volume from our wider family of growers, this gives us a more compelling offer in the market and strengthens the position of the co-operative for the benefit of all shareholders. Like our grower-suppliers, the farming businesses faced their share of challenges during the year. Cost inflation remains an ongoing issue, particularly across fuel, packaging and fertiliser, where global conflict and related pressures continue to flow through a range of farming costs.

At SPL, the business finished broadly in line with our forecast and improved on the previous year, representing a solid performance in the circumstances. A sustained emphasis on production, together with relatively stable capsicum pricing, supported the result.

The major development at SPL was the successful conversion of five hectares of glasshouse from capsicums to tomatoes. This gives the MG Group an important North Island supply base for tomatoes, complementing supply from our grower network. The conversion was a complex project, involving substantial infrastructure work, new growing systems and technology, and the establishment of a tomato packing facility.

Investment in operating efficiency is also taking place, including greater use of automation. An automated harvest transport system is scheduled to come onstream during the 2027 financial year. The water filtration system introduced at SPL has had an immediate impact on improving water quality and crop health, contributing to higher production and helping offset some of the capsicum volume removed through the tomato conversion.
The year was also marked by the sad passing of SPL General Manager Blair Morris. Blair made a considerable contribution to the business and his loss was deeply felt by the SPL team and the wider MG Group. Stuart Attwood has stepped into the role well, supported by the other key leaders and a wider team that has taken on additional responsibility through the transition.

A substantial programme of work is under way to determine the best long-term alternative to natural gas for heating the SPL operation. This will require considerable investment, making it important that the right solution is implemented for the long-term sustainability of the site. A dedicated project team is assessing the available options, with a full business case for the preferred approach expected to be presented to the Board in early 2027. Alongside this, SPL has a six-year development plan that provides for potentially another 17 hectares glasshouse development as market demand allows.

JS Ewers had a reasonable performance across the hothouse, outdoor vegetable and undercover berry operations. This was achieved despite weather disruption early in the financial year, when flooding affected outdoor yields and water ingress into some hothouses also impacted production. Tomato market conditions were softer, with pricing generally below the previous year and forecast.

During the year, the two-hectare Kinzett operation in Blenheim was successfully transitioned into the JS Ewers growing operation, taking its total hothouse area to 15 hectares. The business is also reviewing a development plan for a further 7.4 hectares of glasshouse development to be introduced by late this year. The earlier investment in the biomass boiler was designed with future expansion in mind, giving JS Ewers the energy capacity to move quickly as further glasshouse development is approved. This expansion is aligned with market requirements, including changes in tomato supply from other operations and the reduction in capsicum production at SPL.

A highlight at JS Ewers was a much-improved season for the undercover strawberry operation, supported largely by improvements in pest control. Crop protection is, however, becoming an increasing challenge across the growing sector. The range of registered chemicals available to growers is reducing, while access to additional biological controls remains limited, increasing the importance of the team developing effective integrated pest management approaches.

Kaipaki Berries, with eight hectares undercover, also delivered a much-improved year as better growing and operating practices became established under capable management. It is acknowledged that there remains work to do, including how best to optimise how BerryWorld® varieties are grown and lift yields, while consistently delivering the eating quality and shelf life expected from these premium varieties.

The wider berry category continues to offer a growth opportunity for our co-operative, supported by covered cropping that extends the season and BerryWorld® varieties suited to these growing systems. More consistent supply and quality benefit customers, while the results being achieved are also providing greater confidence for other growers partnering with MG on BerryWorld® varieties to invest and expand in the category.

Across all three farming businesses, our priority is to lift productivity and efficiency while developing cornerstone supply in categories where MG can strengthen its overall offer to customers and create wider value for grower-shareholders.

International Operations

The MG Group's imports business delivered an excellent result in 2026, with growth across sales, volume and profitability making a substantial contribution to the co-operative's overall performance. Imports remain an important part of our market offering, complementing New Zealand supply, providing continuity outside domestic seasons and bringing products to customers that cannot be grown locally. This role also contributes directly to the wider success of the MG Group and the value created for shareholders.

The result was achieved in a challenging international trading environment. Conflict in the Middle East and the resulting pressure on fuel and freight costs required careful management throughout the year, while softer consumer demand affected some imported categories. As is often the case with international programmes, periods of high supply also needed to be managed closely. Careful planning, strong customer engagement and a proactive

approach from our experienced imports team helped align volumes with market demand and identify opportunities to grow categories.

Bananas remained a cornerstone of the business, supported by another successful year in our long-standing partnership with Dole®. Consistent supply and quality underpin the strength of the category for MG, while we continue to work together on opportunities that respond to changing customer and consumer needs. During the year, targeted marketing of selected varieties that appeal to Filipino communities delivered a very positive response. Work is also under way on a mango programme from the Philippines, which is in its early stages.
Grapes delivered another good year. Working closely with key international suppliers and customers supported strong growth in the overall international continuity programme, demonstrating the value of aligning supply programmes closely with customer requirements.

Our branded citrus programmes also performed well. Sunkist® remains a key part of our citrus offer, supported by above-the-line marketing activity designed to maintain consumer engagement and reinforce the brand's position in New Zealand. From Australia, the expanded Juicy League range brings together a suite of citrus products led by Dandy Mandy, which is well regarded for its quality and availability, and includes Cara Kisses and Nifty Navels. The broader Juicy League brand is resonating well with New Zealand consumers, supported by consistent quality, availability and distinctive marketing. More broadly, communication and marketing remain an important part of our imports programme, helping build awareness across the wider range and supporting demand for the categories we bring to market.

Strong international relationships remain fundamental to the imports business. We continue to invest in offshore engagement to work directly with suppliers, understand developments at source and ensure our programmes remain aligned with the needs of New Zealand customers and consumers. We also participate in innovation and trial work as customer needs and sourcing options change and new MPI pathways open, allowing us to explore new products and opportunities. These relationships include Dole®, Sunkist®, Mildura Fruit Co, Jasmine Vineyards, Mulgowie, GV Independent Packers and Hannay Douglas, alongside a wider network of suppliers that supports the diversity and resilience of our offering.

Looking ahead, our focus is to keep developing categories in partnership with customers and international suppliers, while generating demand for the products we bring to market. Global trade and distribution remain areas we monitor closely, alongside imported product costs and consumer demand as the New Zealand economy recovers.

MG Group Exports

Te Mata Exports (2012) Ltd, trading as MG Group Exports, aligned its reporting period with Market Gardeners Limited during the year, moving to a 30 June year-end.

The business delivered another profitable result in a year of growth and expansion, with sales increasing by $14.2 million on the previous year. The business invested in additional capability and its international footprint, building on the foundations laid in recent years.

The trading environment remained demanding. Disruption to global trade flows caused by the conflict in the Middle East resulted in product being redirected into different markets as traditional trade lanes shifted, contributing to weaker conditions in most regions. This was compounded by softer demand as difficult economic conditions persisted internationally, while competition across markets remained high.

Seasonal conditions also affected key categories. Australian grapes were impacted by periods of extreme heat followed by rain, while the New Zealand apple crop produced lower yields than forecast. Despite the reduced apple volumes, the season delivered good returns for growers.

Apples remain the largest category for MG Group Exports and an important part of its growth plans. The early-season a1® Apple programme is now fully allocated across 100 hectares, while planting of another IP variety, Cosmic Crisp®, continues to progress. The business is working closely with participating growers to support the development of both programmes, with encouraging signs of market uptake and grower returns.

The business is looking for further IP opportunities that will provide a broader supply base for our customers and an opportunity for our grower partners to improve orchard gate returns. This process requires stringent due diligence to ensure varieties selected meet a clear set of requirements for both sides of the supply chain.

While apples remain central to the business, MG Group Exports is continuing to broaden its product portfolio. Increasing the range of categories available across different seasons strengthens its relevance to international customers and creates more opportunities to build year-round trading relationships.

A key strategic change during the year was the rebrand from Te Mata Exports to MG Group Exports. The new name better reflects the scale and international reach of the business, while creating a clearer connection with the MG Group, which is its majority shareholder.

This expanding international presence was further strengthened in April 2026 with the establishment of a trading office in California. Three experienced staff joined, complementing existing teams in New Zealand, Australia, Japan and Vietnam. The United States presence extends MG Group Exports into new sourcing regions and markets, providing greater access to key product lines and opportunities to introduce new products and customers across the wider business.

Following a year of investment and expansion, the priority is now to consolidate these developments and maximise the opportunities created by the additional people, markets and supply relationships.

United Flower Growers (UFG)

UFG is a joint venture formed by the combination of the flower operations of grower-owned United Flower Auction Limited and the MG Group.

The business delivered its strongest financial result in history. This was achieved against a backdrop of weak consumer sentiment. While the number of stems brought to market was slightly lower, the average value per stem increased as buyer numbers grew. The higher values also helped offset elevated winter heating costs for growers, which restricted planting through this period.

The strong performance is largely attributed to UFG's technology-led strategy. Auction customers now trade exclusively through UFG's virtual marketplace. This has created a more scalable and accessible platform for buyers and growers. New online purchasing options now allow buyers to pre-purchase some of the product available before auction at a fixed price.

UFG's technology platform was recognised at the 2026 Auckland Business Awards, where the business received awards for Excellence in Innovation and Excellence in Creative and Digital Services, presented by Prime Minister Christopher Luxon. The judges highlighted the platform's ability to broaden customer reach while reducing the business's reliance on individual relationships. This is helping create a more scalable business model, while investment in technology is also allowing UFG to make better use of its floor space and reduce reliance on manual processes.

Cost management and operating efficiency were also important contributors to the result. The move to the new Auckland facility in March 2025 reduced a number of operating costs, including repairs, cleaning and energy use. The 2026 financial year was the first full year to benefit from these savings. This builds on the efficiency gains identified when UFG moved into the facility in the previous reporting period.
There is further opportunity if improving economic conditions encourage more florists back into the market. The priority is to build on the efficient operating model, develop new revenue opportunities and continue improving the experience for growers and buyers.

First Fresh New Zealand Limited (First Fresh)

For its financial year ended 31 March 2026, Gisborne-based persimmon and citrus supplier First Fresh delivered a profitable result, although performance was below forecast and budget expectations. Growing conditions remained challenging for much of the year, continuing the pattern of recent seasons. More recently, conditions have generally been more favourable, bringing a different set of market conditions from the weather-affected seasons of recent years.

During the year, a new approach to domestic sales was implemented in partnership with the MG Group. MG is now providing greater sales support into large retail customers across both the North and South Islands. This allows the

First Fresh team to direct more of its capacity towards procurement, grower service and support, and its export programme which are areas that are central to the business and its relationships with growers.

Export performance was mixed in an environment affected by global trade disruption and difficult economic conditions in international markets. Some key export markets that have traditionally performed well were particularly challenging, affecting returns to growers and First Fresh's overall result. Against this backdrop, a strategy to increase lemon exports into Japan delivered positive results and remains an area of opportunity for the business. First Fresh is also working with the MG Group on varietal development, with a particular interest in products that can provide supply through the shoulder periods of existing seasons. Alongside this work, First Fresh is progressing its own seedless lemon intellectual property, which it controls, with the aim of developing another option for its growers.

Since year end, a large Satsuma mandarin crop contributed to softer market conditions, with high volumes coinciding with depressed consumer demand. A high proportion of larger fruit and poorer keeping quality following rain added further pressure, while imported supply was a factor late in the season. More broadly, First Fresh is focusing on managing crops around the timing of imported product, seeking to better align domestic supply with market windows and support returns for growers.

Securing supply remains a priority, particularly in persimmons, where changes within the grower base over recent years have resulted in volume reduction. First Fresh is continuing to demonstrate the value it can provide through its market performance and grower returns, with the aim of strengthening existing relationships and securing additional volume. Its owned and leased growing operations also provide a greater level of supply certainty and complement fruit sourced from its wider grower network.

First Fresh continues to be a highly valued brand and service provider for growers, with a reputation built around taking quality citrus and persimmons to market and providing practical support to its supply base. The priority remains strengthening these relationships, securing quality supply and developing opportunities that can deliver fair returns across domestic and export markets.

Outlook

The operating environment ahead is becoming increasingly complex. Volatile markets, geopolitical uncertainty, climate pressures, accelerating technology, changing customer and consumer expectations, alternative channels to market and increasing competition for supply will all influence the way the fresh produce industry develops. Our scale and recent performance provide a sound foundation, but future success cannot be assumed. Our strategy provides the direction and discipline to stay close to growers and customers, maintain commercial discipline, invest carefully and adapt as conditions change.

We are also mindful of a strengthening El Niño and the potential for changing weather patterns to affect growing conditions and produce supply in New Zealand and overseas.

In this context, it is worth reflecting on the principle that has underpinned Market Gardeners Limited since growers established the co-operative in 1923. The industry has changed considerably since growers first came together to combine their produce and present a united position in the market, but the value of collective strength remains as relevant today as it was then. Working together provides greater scale, market knowledge and capability, while giving individual growers access to services, customers and opportunities that are difficult to replicate alone. Protecting that value requires strong relationships and alignment across the co-operative, and ensuring growers continue to see value from their association with MG.

Our co-operative model also requires us to balance rewarding loyal grower-shareholders today with retaining the financial capacity to invest for the future. Our proven approach strengthens the business and creates enduring value.

We are continuing to deliver a long-term investment programme focused primarily on our existing businesses. This includes plans to add further glasshouse capacity at JS Ewers in the near term and at SPL as market conditions allow, while ensuring our branch network has the capacity, infrastructure and capability required for future growth. We have also invested further in the people and capability of MG Group Exports, which we see as an important driver for future growth.

By staying responsive to the market, investing in areas where MG can build lasting advantage and continuing to work collectively, we believe the co-operative has the foundations to keep delivering for its shareholders in the years ahead.

In closing, we note our appreciation to our loyal grower-shareholders, whose continued support remains fundamental to the strength of the co-operative. The Board's approval of distributions totalling approximately $23.5 million, inclusive of imputation credits, reflects our commitment to recognising and rewarding that support.

Bruce Irvine
Chair

Peter Hendry
CEO

Sustainability

Practical action, steady progress

Our approach to sustainability remains practical and commercially grounded. We continue to make steady progress by improving efficiency, strengthening how we understand and manage risk, and investing where environmental and financial benefits align.

During the year, particular attention was given to climate-related risk. These risks are now recorded and monitored through the same framework used for other MG Group business risks, providing greater consistency and clearer

oversight. Our four sustainability pillars of Stronger Business, Stronger Planet, Stronger People and Stronger Partnerships continue to guide the programme.

The Sustainability Committee, made up of Executive Managers from across the MG Group, oversees this work and regularly reviews risks, projects and priorities. Sustainability matters are reported to the Audit Committee throughout the year, included in Board papers, and supported by a full sustainability overview presented annually.

Our sustainability framework

	2026 activity
Governance	The Sustainability Committee oversees climate-related risks and sustainability activity across the MG Group. Updates are provided to the Audit Committee and Board throughout the year, with a comprehensive sustainability review presented annually. Sustainability considerations also form part of relevant capital and operating expenditure requests.
Strategy	Our Sustainability Plan remains centred on Stronger Business, Stronger Planet, Stronger People and Stronger Partnerships. We prioritise practical initiatives that improve efficiency, reduce environmental impacts and support the financial sustainability of the co-operative.
Risk	Climate-related risks are now recorded and monitored through the wider MG Group risk framework, providing a consistent approach to assessing risks and mitigation actions. Initial work on climate scenarios has begun and will be developed further during FY2027.
Metrics & Targets	Annual carbon footprint measurement continues to provide an important baseline for assessing performance. We are also making greater use of operational data to measure the effectiveness of individual initiatives, including energy efficiency projects.

MG Group Sustainability Plan

Stronger Business

Financial sustainability remains the foundation of our approach. An efficient and financially sound co-operative has greater capacity to invest responsibly, manage risk and pursue opportunities that benefit shareholders over time. This year, we strengthened the integration of climate-related risks into our wider business risk framework. Sustainability and climate considerations are also incorporated into relevant capital and operating expenditure requests, ensuring they form part of normal business decision-making.

Stronger Planet

Our environmental activity continues to concentrate on practical measures to improve energy efficiency, reduce emissions and minimise waste. Lighting and refrigeration upgrades continued across the branch network, while our transition towards hybrid vehicles is progressing under a four-year programme, although vehicle availability has affected the rate of change. Working with Dole®, we have substantially completed the removal of hard-to-recycle plastic corner boards from banana pallets, with around 100,000 corner boards removed from the waste stream.

From August 2026, the MG Group entered a new electricity partnership with Ecotricity®, with all electricity used across the Group to be certified renewable*. The partnership with Ecotricity® supports our broader approach to

reducing emissions while allowing us to continue investigating renewable generation opportunities.
* Renewable Energy Certificates (RECs) are market-based instruments that certify the bearer owns the renewable attributes of 1 megawatt-hour (MWh) of electricity from the local distribution network, without the necessity of a direct physical connection to a renewable generation site.

Stronger People

Providing safe, rewarding employment remains an important part of our sustainability programme. Alongside our wider health and safety activity, staff wellbeing was supported this year through health checks made available across the business. Our responsibility also extends into the communities in which we operate. This year we established a Platinum Partnership with The Gut Foundation, complementing established programmes that support access to fresh produce, health and wellbeing, and the wider horticulture industry.

Stronger Partnerships

Strong relationships with growers, suppliers, customers and industry partners are fundamental to a sustainable business. Our Responsible Sourcing Policies remain in place, including social-practice requirements for grower-suppliers and declarations for international suppliers where recognised certification is unavailable. We also continued to invest in grower capability and engagement. Growing You returned in 2026 with a two-day programme developed specifically for glasshouse growers, while our Shareholder Partnerships material provided further information about the value of supplying the co-operative and the additional benefits available to shareholders.

Carbon footprint

Total measured MG Group emissions fell by 5.1% to 32,324 tCO_2-e in FY2026, bringing the reduction since our FY2023 base year to 42%. These results sit alongside a year of business growth, including expansion at Tauranga and Hamilton, record volumes through our market network, and the addition of the Blenheim growing site to JS Ewers. However, the overall decline was not shared across every emissions source. Direct emissions increased by 8.1% to 14,812 tCO_2-e, with higher emissions from fuels used on farms and stationary combustion, although they remain approximately half their FY2023 level.

Lower freight emissions were the main contributor to this year's overall decline. The balance between sea and air freight is a key influence on these emissions. Electricity-related emissions also decreased, reflecting a lower national grid emissions factor rather than lower consumption across the Group.

Refrigerant emissions fell again this year, with maintenance and leak prevention remaining priorities across our refrigeration network. Waste emissions remain 52% below FY2023, however, they increased compared with FY2025, reinforcing the need to maintain attention on this area.

Smarter technology improves refrigeration efficiency

A project at our Christchurch branch is demonstrating how better technology and better data can reduce the energy required to operate one of the most important parts of our infrastructure.

With support from EECA, an Energy Management System was installed across four of the branch's main chillers. The project included responsive valves, EC units, smarter controls and leak alarm technology, supported by an online portal providing live information on system performance and alerts when issues arise.

The value of the system is not simply the technology itself, but the quality of information it provides. Rather than relying on assumptions about how equipment is performing, the team can monitor actual energy use, identify issues earlier and use data to assess the effectiveness of changes.

In the first month following installation, electricity use across the four chillers fell by 43.2%.

Lower electricity use reduces operating costs and associated gross emissions, while improved monitoring supports maintenance and reliability by allowing potential problems to be identified earlier.

Following the Christchurch trial, the same technology was installed at Tauranga as part of its refrigeration upgrade. We will now assess where else the system can deliver value across the network and consider its inclusion when refrigeration infrastructure is replaced or upgraded.

August 2025 v August 2026

43.2%

LESS ENERGY USED

Across the four Christchurch chillers

22.5%

LOWER BRANCH ELECTRICITY USE

Across the entire branch network

Growing a healthier New Zealand together

A major development in our community programme this year was the MG Group becoming a Platinum Partner of The Gut Foundation.

The partnership is a natural fit between our role in helping New Zealanders access fresh fruit and vegetables and the Foundation's work in education, research and advocacy around gut health. A key part of the partnership will support educational content for primary and secondary schools, helping young people better understand the relationship between food, healthy eating and wellbeing.

Our established community programmes also continued. Through the Good Bunch Programme, delivered with Dole NZ and The Salvation Army, more than 40,000 kg of bananas have now been donated to foodbanks around the country. We also continue to support 5+ A Day, together with a range of local initiatives and community events.

As a co-operative, we continue to empower our communities through meaningful action. This commitment has shaped one of our most significant initiatives, the MG Charitable Trust, which continues to support education and development across the horticulture industry. Further detail on its work is provided later in this Annual Review.

Looking forward

Work will continue on determining the preferred alternative to natural gas at SPL, with the full business case expected to reach the Board in early 2027. If approved, the transition would represent the largest sustainability project undertaken by the MG Group and is likely to require a staged implementation over several years.

We will also undertake a network-wide assessment of the potential role for solar generation and continue preparing the business for possible modern slavery legislation.

Alongside these larger programmes, the same practical approach will continue across the Group. This will include using better information to manage risk, improving efficiency where opportunities exist and investing where the environmental, operational and commercial case is sound.

MARKET GARDENERS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2026

The Directors are pleased to present the financial statements of Market Gardeners Limited for the year ended 30 June 2026.

For and on behalf of the Board of Directors:

B.R. Irvine
Chair

23 September 2026

J. Lim
Director

23 September 2026

Consolidated Statement of comprehensive income

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue – sale of goods	A1.1	319,903	279,642
Cost of sales		(236,810)	(206,734)
Gross profit		83,093	72,908
Other operating income	A1.2	2,806	2,806
Administrative expenses		(26,221)	(23,918)
Other operating expenses		(29,185)	(27,886)
Results from operating activities before other income and other expenses		30,493	23,910
Other income		3,284	3,268
Results from operating activities		33,777	27,178
Finance income		436	469
Finance expense		(4,395)	(6,199)
Net finance costs		(3,959)	(5,730)
Share of profit of equity accounted investees	D2	857	643
Profit before income tax		**30,675**	**22,091**
Income tax expense	A3.1	(7,225)	(7,368)
Profit for the year		**23,450**	**14,723**
Other comprehensive income			
Items to be reclassified to profit or loss in subsequent periods (net of tax):			
Foreign currency translation differences for foreign operations		177	(237)
Effective portion of changes in the fair value of cash flow hedges		(708)	(390)
Items that will not be reclassified to profit or loss (net of tax):			
Revaluation of fair value of land and buildings		-	13,309
Recycling of reserves through profit and loss on disposal		(115)	203
Other comprehensive (loss)/income net of tax		(646)	12,885
Total comprehensive income for the year		**22,804**	**27,608**
Profit attributable to:			
Owners of the Company		23,268	14,508
Non-controlling interest		182	215
Profit for the year		**23,450**	**14,723**
Total comprehensive income attributable to:			
Owners of the Company		22,622	27,393
Non-controlling interest		182	215
Total comprehensive income for the year		**22,804**	**27,608**

The accounting policies and notes to the financial statements form an integral part of the financial statements.

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Consolidated Statement of changes in equity

For the year ended 30 June 2026

	Share capital	Reserves				Retained earnings	Non-controlling interest (NCI)	Total equity
		Revaluation	Hedging	Foreign currency translation	Total			
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**78,225**	**81,149**	**557**	**299**	**82,005**	**59,658**	**524**	**220,412**
Profit for the year						14,508	215	14,723
Other comprehensive income / (loss)	-	13,309	(390)	(237)	12,682	203	-	12,885
Total comprehensive income / (loss) for the year	-	13,309	(390)	(237)	12,682	14,711	215	27,608
Transactions with owners, recorded directly in equity								
Dividends *	814	-	-	-	-	(3,367)	(101)	(2,654)
Shares issued *	16,054	-	-	-	-	(15,235)	-	819
Shares surrendered	(2,117)	-	-	-	-	-	-	(2,117)
Balance at 30 June 2025	**92,976**	**94,458**	**167**	**62**	**94,687**	**55,767**	**638**	**244,068**
Balance at 1 July 2025	**92,976**	**94,458**	**167**	**62**	**94,687**	**55,767**	**638**	**244,068**
Profit for the year						23,268	182	23,450
Other comprehensive income / (loss)	-	-	(708)	177	(531)	(115)	-	(646)
Total comprehensive income/(loss) for the year	-	-	(708)	177	(531)	23,153	182	22,804
Transactions with owners, recorded directly in equity								
Dividends *	1,003	-	-	-	-	(3,681)	-	(2,678)
Shares issued *	15,653	-	-	-	-	(13,381)	-	2,272
Shares surrendered	(7,039)	-	-	-	-	-	-	(7,039)
Balance at 30 June 2026	**102,593**	**94,458**	**(541)**	**239**	**94,156**	**61,858**	**820**	**259,427**

* The increase in share capital is from the issue of new shares and bonus issue shares as further detailed in note C1. The increase from dividends is the result of shareholders electing to participate in the dividend election plan whereby they receive one further $1.00 share in exchange for every $1.00 of dividend.

Explanation of Reserves

Revaluation reserve - relates to the revaluation of land and buildings in accordance with the policies stated in note B1.

Hedging reserve - comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Foreign currency translation reserve ("FCTR") - comprises the cumulative foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Parent Company's net investment in the Australian operations. The accounting policies and notes to the financial statements form an integral part of financial statements.

The accounting policies and notes to the financial statements form an integral part of the financial statements.

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Consolidated Statement of financial position

As at 30 June 2026

	Note	2026 $'000	2025 $'000
EQUITY			
Share capital	C1	102,593	92,976
Reserves		94,156	94,687
Retained earnings		61,858	55,767
Total equity attributable to equity holders of the Parent Company		258,607	243,430
Non-controlling interests		820	638
Total equity		**259,427**	**244,068**
NON-CURRENT ASSETS			
Property, plant and equipment	B1	331,292	313,378
Lease assets (right to use)	B1	6,782	5,492
Goodwill and other intangible assets	B3	13,135	13,388
Investments in equity accounted investees	D2	6,791	6,230
Investments other	D3	4,602	4,119
Total non-current assets		362,602	342,607
CURRENT ASSETS			
Cash and cash equivalents	C2	13,872	9,745
Inventories and biological assets	B2	17,597	11,784
Trade and other receivables	C3	62,957	67,789
Total current assets		94,426	89,318
Total assets		457,028	431,925
NON-CURRENT LIABILITIES			
Borrowings	C5	74,452	74,452
Trade and other payables	C4	485	539
Deferred tax liabilities	A3.2	27,977	27,797
Lease liabilities	C6.1	5,106	3,965
Total non-current liabilities		108,020	106,753
CURRENT LIABILITIES			
Borrowings	C5	-	6,547
Trade and other payables	C4	86,094	70,453
Taxation payable		1,547	2,312
Lease liabilities	C6.1	1,940	1,792
Total current liabilities		89,581	81,104
Total liabilities		197,601	187,857
Net Assets		**259,427**	**244,068**

The accounting policies and notes to the financial statements form an integral part of the financial statements.

KPMG ChCh Marked for Identification

Consolidated Statement of cash flows

For the year ended 30 June 2026

	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	327,220	272,048
Dividends received from equity accounted investees	281	514
Interest received	431	336
Cash paid to suppliers and employees	(271,696)	(241,529)
Interest paid	(3,754)	(6,182)
Income tax paid	(7,938)	(4,623)
Net cash from operating activities	44,544	20,564
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	1,906	2,124
Proceeds from loan repayment related to sale of subsidiary	-	5,959
Proceeds from sale of ETS	-	408
Insurance proceeds	-	208
Deferred consideration payment for acquisition of subsidiary	-	(15,625)
Acquisition of property, plant and equipment	(26,339)	(14,988)
Acquisition of investment / intangible assets	(400)	(63)
Net cash (used in) investing activities	(24,833)	(21,977)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	2,272	820
Proceeds from bank and other borrowings	-	10,774
Payments for shares surrendered	(7,039)	(2,117)
Repayment of borrowings / loans	(6,547)	-
Dividends paid to Shareholders	(2,678)	(2,553)
Dividends paid to non-controlling interests	-	(101)
Net lease payments	(1,654)	(1,411)
Net cash (used in)/from financing activities	(15,646)	5,412
Net increase in cash and cash equivalents	4,065	3,999
Cash and cash equivalents at 1 July	9,745	5,985
Effect of exchange rate fluctuations on cash held	62	(239)
Cash and cash equivalents at 30 June	**13,872**	**9,745**

Reconciliation of the profit for the period with the net cash from operating activities

	2026 $'000	2025 $'000
Profit for the year	23,450	14,723
Adjustments for non-cash items:		
Depreciation of property, plant, equipment and right of use assets	9,804	9,540
Amortisation of intangible assets	253	252
Insurance proceeds classified as cashflow from investing activities	-	(208)
Equity accounted earnings less cash dividends received	(576)	(129)
(Gain) on disposals of property, plant and equipment / market licenses	(1,583)	(174)
Decrease in deferred tax	276	169
Other non-cash adjustments	64	(252)
	31,688	23,921
Impact of changes in working capital items:	12,856	(3,357)
Net cash from operating activities	**44,544**	**20,564**

The accounting policies and notes to the financial statements form an integral part of the financial statements.

KPMG ChCh Marked for Identification

Notes to the financial statements

A. Financial Performance

In this section

This section explains the financial performance of Market Gardeners Limited ("Market Gardeners"), providing additional information about individual items in the income statement, including:

- accounting policies, judgements and estimates that are relevant for understanding items recognised in the income statement.
- analysis of Market Gardener's performance for the year by reference to key areas including: revenue, expenses and taxation.

A1.1 Revenue

Measurement and Recognition

Revenue is measured based upon the amount the Group expects to receive, following completion of a customer's order or requested service.

In determining the price / value of a good or service the Group considers the risk of any events that could significantly reduce the value to be received (such as customer rights of return or rebates based upon actual or expected customer purchases).

Principal and agency arrangements – Judgements

The Group makes sales under both principal and agency (on behalf of another party) arrangements.

The key considerations by the Group in determining if a sale is as principal or agent are who has:

- Primary responsibility for fulfilling and providing the produce to the customer.
- The risk that produce is unable to be sold or a deterioration of value occurs such as a drop in price or quality issues (inventory risk before goods are transferred to the end customer).
- The discretion to establish the price of produce being sold.

For export sales of fresh produce, in addition to the above key judgements, the following indicators are considered in assessing whether the sale is as principal or as agent:

- the ability to direct the use of the goods, including who has primary responsibility for the goods and delivery to the final customer;
- the transfer of inventory and demand risk including who has primary responsibility for damage or deterioration of the produce;
- the level of support provided by the Group to achieve the sale of the goods including any financial / pricing support, reduced margins or commissions.

Export sales contractual terms vary across markets and sales channels including who bears the inventory risk and responsibility for delivery of the goods to the end customer.

In order to conclude on the transfer of control of exported fresh produce the sale transactions must be assessed in their entirety, including the implied contractual terms, customary practice and the circumstances of each transaction.

The Group recognises revenue from the following sources:

Trade sales – principal

The Group acts as principal where it controls the produce before it is transferred to the customer. Revenue from trade sales is measured at the transaction price, net of rebates, credits and returns, and is recognised at the point in time at which control passes to the customer. The timing depends on the individual contract, however for non-export sales this usually occurs on dispatch or pick up of the produce by the customer. For export sales, control passes once the produce is loaded onto the ship.

Commission / agency sales

The Group acts as agent where its performance obligation is to arrange for produce to be supplied by a grower rather than to supply that produce itself, and it does not control the produce before it is transferred to the customer. Revenue is recognised as the net commission to which the Group expects to be entitled; the gross value of produce sold as agent is not recognised as revenue. As with trade sales, this occurs for non-export sales on dispatch or pick up of the produce by the customer, and for export sales once the produce is loaded onto the ship.

Freight and Insurance

For export sales of fresh produce, the Group sells a significant proportion on terms that include freight and insurance to the destination port. The Group recognises the revenue at the time the underlying performance obligation has been met as this is not considered to be a separate performance obligation.

Export sales are grouped with the equivalent non-export revenues.

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Gross sales under management (Non-GAAP)	2026 $'000	2025 $'000
Trade Sales – New Zealand	237,177	204,332
Trade Sales – Australia	28,055	21,844
Sales as Agent – New Zealand	541,962	498,674
Total Gross sales under management	**807,194**	**724,850**
Revenue		
Total Gross Sales under management	807,194	724,850
Add Commission earned – New Zealand	54,671	53,466
Less purchase of produce on-sold as agent (offsets the sales as agent incl. above)	(541,962)	(498,674)
Total Revenue	**319,903**	**279,642**

Gross sales under management represent the gross value of traded product and the gross value of sales made as agent. This is a non-GAAP measure representing the total gross value of product transacted by the Group. For internal reporting to the Board, the Audit Committee and external reporting to its stakeholders, the Group uses certain non-GAAP financial measures (alternative performance measures) alongside its NZ IFRS results to provide additional insight into the Group's underlying performance and financial position.

These measures – which include Gross sales under management – are not defined or specified under NZ IFRS. The Group believes that these non-GAAP measures, which are not considered to be a substitute for or superior to NZ IFRS measures, provide stakeholders with additional useful information on the performance of the business, with a clearer understanding of the Group's underlying operating results. Management uses these non-GAAP financial information measures consistently from period to period for internal planning and reporting. The Group adheres to applicable regulatory guidance on non-GAAP disclosures, emphasising transparency, consistency, and comparability in how these metrics are calculated and presented.

A1.2 Other operating income

	2026 $'000	2025 $'000
Rental income	2,353	2,577
Sundry income	453	229
Total Other Operating Income	**2,806**	**2,806**

A2. Employee benefits

Measurement and recognition

Provision is made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and employee incentives for services rendered. Provisions are recognised when it is probable that they will be settled and can be measured reliably.

Short-term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related benefit is provided. These benefits are likely to be utilised by employees within the next 12 months.

Long-term employee benefits:

Long-term employee benefits relate to the amount of future benefits that employees have earned in return for their service in the current and prior periods. These benefits are discounted to determine their present value at year end.

Employee benefits are recognised both within cost of sales and administrative expenses based on the area / department the employee works within (refer to the table below for the classification).

	2026 $'000	2025 $'000
Wages and salaries	66,914	64,151
Contributions to defined contribution superannuation plans	1,873	1,758
Increase in liability for long-service leave	83	17
Total personnel expenses	**68,870**	**65,926**
Classification within the statement of comprehensive income		
Cost of sales	44,561	42,470
Administrative expenses	24,215	23,361
Other operating expenses	94	95
Total personnel expenses	**68,870**	**65,926**

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A3. Taxation

Measurement and recognition

Income tax is determined based upon profit before tax and broadly classified as follows:

- Current tax expense: Current year profit the Group is required to pay tax on to the relevant authority.
- Deferred tax expense: Profit that is not taxable (based on tax laws) until a future income tax period.
- Profit that will never be taxable: Relates to non-deductible expenses and tax-exempt income.

A3.1 Income tax

Tax recognised in the consolidated statement of comprehensive income	2026 $'000	2025 $'000
Current tax expense		
Current period tax charge	8,205	7,459
Adjustment for prior periods	(1,540)	(181)
	6,665	**7,278**
Deferred tax expense		
Deferred tax – origination and reversal of temporary differences	(794)	(1,585)
Adjustment for prior periods	1,354	1,675
	560	90
Total income tax expense on continuing operations	**7,225**	**7,368**
Reconciliation of income tax expense		
Profit/(Loss) before tax	30,675	22,091
Income tax using the Parent Company's domestic tax rate (28%)	8,589	6,185
Add/(deduct) taxation effect of:		
Permanent differences	(775)	(29)
Prior period adjustments	(293)	1,494
Other	(296)	(282)
Total income tax expense on continuing operations	**7,225**	**7,368**

Imputation credits

As at balance date imputation credits available to the shareholders for use in subsequent periods totalled $37.2 million (2025: $36.7 million).

Income tax recognised directly in other comprehensive income

Income tax recognised in other comprehensive income relates to the change in fair value of land and buildings of $Nil (2025: $1,082,000) and cash flow hedges of $383,000 (2025: $236,000).

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A3.2 Deferred tax

Measurement and recognition

Tax laws set out how the Group calculates the tax payable to the relevant taxation authority. These rules however are different to the financial reporting rules which are the basis for preparing these financial statements. Where the two sets of rules result in a different pre-tax profit, a deferred tax asset or liability is recorded for the difference.

- Deferred tax asset: This represents tax deductions that have been recorded for accounting purposes, however not recognisable for income tax purposes until a future period. Effectively this is tax recorded in advance.
- Deferred tax liability: This is the opposite to deferred tax assets, effectively being tax paid in the current year that is not recordable for accounting purposes until future periods. The most common source for the Group is where assets are depreciated at a higher rate for tax purposes than for accounting purposes.

Deferred tax is recognised on all temporary differences, other than those arising from goodwill and the initial recognition of assets and liabilities in a transaction (other than in a business combination).

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Key Judgement

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be utilised. This is reviewed each balance date and adjusted where required.

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
New Zealand	**2026 $'000**	**2025 $'000**	**2026 $'000**	**2025 $'000**	**2026 $'000**	**2025 $'000**
Property, plant and equipment, and other	196	254	(32,870)	(32,488)	(32,674)	(32,234)
Derivatives	383	107	-	(104)	383	3
Employee benefits	1,158	1,101	-	-	1,158	1,101
Provisions	1,907	1,606	-	-	1,907	1,606
Tax losses	1,249	1,727	-	-	1,249	1,727
Tax assets/(liabilities)	**4,893**	**4,795**	**(32,870)**	**(32,592)**	**(27,977)**	**(27,797)**

Movement in temporary differences during the year:

	Balance 1 July 2024 $'000	Recognised in income $'000	Recognised in equity $'000	Balance 30 June 2025 $'000
Property, plant and equipment, and other	(27,617)	(5,698)	1,081	(32,234)
Derivatives	(88)	-	91	3
Employee benefits	3,832	(2,731)	-	1,101
Provisions	(2,908)	4,514	-	1,606
Tax Losses	-	1,727	-	1,727
Net Movement	**(26,781)**	**(2,188)**	**1,172**	**(27,797)**

	Balance 1 July 2025 $'000	Recognised in income $'000	Recognised in equity $'000	Balance 30 June 2026 $'000
Property, plant and equipment, and other	(32,234)	(440)	-	(32,674)
Derivatives	3	-	380	383
Employee benefits	1,101	57	-	1,158
Provisions	1,606	301	-	1,907
Tax Losses	1,727	(478)	-	1,249
Net Movement	**(27,797)**	**(560)**	**380**	**(27,977)**

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B. Operating Assets

In this section

This section shows the assets Market Gardeners uses in delivering produce to the market in order to generate operating revenue. Key operating assets are:

- Property, plant and equipment.
- Inventories.
- Intangible assets.

B1. Property, Plant and Equipment

Property, plant and equipment are physical assets or the right to use leased assets, which are utilised by the Group to carry out business activities and generate revenue and profits.

Measurement and recognition

Property, plant and equipment (except for land and buildings) is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Land and buildings are independently revalued every 3 years with changes in value recognised directly in equity, except if a decrease does not offset an existing valuation surplus for an individual asset in which case this is taken to the income statement.

Depreciation

Depreciation is recognised to allocate the cost or revalued amount of an asset, less any residual value over the estimated useful life. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If an indication exists, then the asset's recoverable amount is estimated. The recoverable amount is the higher of fair value less costs to sell and the present value of future cash flows.

An impairment loss relating to finite-life intangible assets is recognised if the carrying amount of an asset exceeds its recoverable amount. A prior impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent of the asset's carrying value had no impairment loss been recognised.

For information regarding leased (right-of-use) assets, see note C6.

Key Judgements

Depreciation rates:

The estimated useful lives for the current and comparative periods are as follows:

• buildings, leasehold improvements and entitlements	1.5 – 30% Diminishing value and Straight Line
• motor vehicles	10 – 30% Diminishing value and Straight Line
• plant and equipment	4 – 40% Diminishing value and Straight Line
• fixtures and fittings	8 – 67% Diminishing value and Straight Line

Valuation of Land and buildings:

Fair value is the estimated price the asset could be sold for in an orderly transaction, at arm's length between market participants at the valuation date.

Due to the level of judgement and adjustments required to the observable inputs, a level three classification (derived from privately negotiated sales information) is deemed appropriate for all property valuation for the Group. Land and buildings were independently revalued as at 30 June 2025 by registered valuers, Duke and Cooke Ltd, CBRE and Logan Stone.

Management and the Board have performed an assessment on whether there are any indicators of a material movement in fair value for the year ended 30 June 2026. They have concluded that there are no indicators and therefore the carrying value represents fair value.

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The following table shows the valuation technique used and the significant unobservable inputs for the 30 June 2025 independent valuations:

Valuation technique	Significant unobservable inputs and relationship with fair value measurement
Investment / Income approach This approach capitalises the contracted and / or potential income at an appropriate market derived rate of return	- Capitalisation rates (6.21% to 8.25%). - An increase in the capitalisation rate would reduce the valuation and a decrease would increase the valuation. - An increase of one percentage point in the capitalisation rate would decrease the valuation by $18.2 million. - A decrease of one percentage point in the capitalisation rate would increase the valuation by $24.8 million. - Land and buildings with a fair value totalling $136.6 million have been valued using this approach.
Sales / Market comparison approach This approach determines a per square metre / hectare rate based on comparable sales, adjusted for differences in location, size and quality of the asset, together with an adjustment for market movements since the sales occurred.	- The independent valuers consider comparable sales transactions in determining the fair value for land and buildings based on their judgement and expertise. For this reason it is not possible to present a specific sensitivity analysis for land and buildings valued using this approach. - Land and buildings with a fair value totalling $160.8 million have been valued using this approach.
If land and buildings were measured using historical cost the carrying value would be $184 million (2025: $177 million).	

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	Fair value Land and buildings $'000	*Cost* Motor Vehicles $'000	*Cost* Fixtures & fittings $'000	*Cost* Bearer Plants $'000	*Cost* Plant and equipment $'000	*Cost* Work in progress $'000	Total PP&E $'000	Right of use assets $'000
Cost or valuation								
Balance at 1 July 2024	278,779	8,058	3,910	382	34,512	2,529	328,170	36,470
Additions	10,400	2,090	466	-	1,452	1,319	15,727	4,255
Transfers	532	30	9	-	7	(578)	-	-
Disposals	(336)	(2,395)	(1,157)	-	(2,388)	-	(6,276)	(3,031)
Revaluation	(1,907)	-	-	-	-	-	(1,907)	-
Balance at 30 June 2025	287,468	7,783	3,228	382	33,583	3,270	335,714	37,694
Additions	11,751	1,432	568	-	8,385	4,203	26,339	3,797
Transfers	117	-	-	-	(92)	(25)	-	-
Disposals	(368)	(1,048)	(302)	-	(220)	-	(1,938)	(805)
Revaluation	-	-	-	-	-	-	-	-
Balance at 30 June 2026	298,968	8,167	3,494	382	41,656	7,448	360,115	40,686
Accumulated depreciation								
Balance at 1 July 2024	14,448	3,666	2,520	13	15,466	-	36,113	30,551
Depreciation for the year	3,544	1,171	452	36	2,686	-	7,889	1,651
Disposals	(429)	(1,400)	(1,142)	-	(2,297)	-	(5,268)	-
Revaluation	(16,398)	-	-	-	-	-	(16,398)	-
Balance at 30 June 2025	1,165	3,437	1,830	49	15,855	-	22,336	32,202
Depreciation for the year	3,573	1,213	477	47	2,792	-	8,102	1,702
Disposals	(267)	(886)	(284)	-	(178)	-	(1,615)	-
Transfer	22	-	-	-	(22)	-	-	-
Balance at 30 June 2026	4,493	3,764	2,023	96	18,447	-	28,823	33,904
Carrying amounts								
At 30 June 2024	264,331	4,392	1,390	369	19,046	2,529	292,057	5,919
At 30 June 2025	**286,303**	**4,346**	**1,398**	**333**	**17,728**	**3,270**	**313,378**	**5,492**
At 30 June 2026	**294,475**	**4,403**	**1,471**	**286**	**23,209**	**7,448**	**331,292**	**6,782**

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B2. Inventories and biological assets

Measurement and recognition

Inventories are measured at the lower of cost and net realisable value. Cost is determined based on the first-in first-out principle and includes costs incurred in acquiring the inventories and in bringing them to their current location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Biological assets are measured on initial recognition and at the end of each reporting period at fair value less costs to sell. Gains or losses arising on initial recognition of biological assets at fair value less costs to sell, and from a change in fair value less costs to sell of biological assets, are included in profit or loss for the period in which they arise.

Agricultural produce harvested from biological assets are initially measured at fair value less costs to sell at the point of harvest. For accounting purposes, such measurement is treated as the cost of the agricultural produce at that date. Gains or losses arising on initial recognition of agricultural produce at fair value less costs to sell are included in profit or loss for the period in which they arise.

Inventories recognised as cost of sales amounted to $195.231 million (2025: $151.372 million) for the Group.

	2026 $'000	2025 $'000
Inventories	11,669	6,018
Biological assets	5,928	5,766
Total inventories and biological assets	**17,597**	**11,784**

B3. Goodwill and other intangible assets

Measurement and recognition

Goodwill

Goodwill is determined at the date of acquisition and represents the excess of the cost of a business acquisition over the fair value of the Group's share of the assets, liabilities and contingent liabilities acquired. Where the fair value of net assets acquired is greater than the consideration paid, the excess is recognised immediately in profit or loss.

Goodwill is subsequently measured at cost less accumulated impairment losses. Impairment reviews are performed annually, at the level of the relevant cash generating unit ('CGU'). The smallest identifiable group of assets that generate independent cash inflows and the level at which strategic decisions occur is considered in identifying a CGU.

Any impairment loss in respect of goodwill is not reversed.

In respect of equity accounted investees, goodwill is included in the carrying amount of the investment.

Other intangible assets (Marketing Contracts, Plant Variety Rights (PVR), and other)

Intangible assets, other than goodwill, are subsequently measured at cost less accumulated amortisation and impairment.

Costs relating to the development of intangible assets, including computer software, are capitalised once all the development phase recognition criteria are met.

Plant Variety Rights (PVR) are amortised over the expected useful life of 15 to 21 years.

Software is amortised over the expected useful life of 7 to 10 years.

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Annual impairment assessment

Where an intangible asset is considered to have an indefinite life, no amortisation is recognised. The asset is subject to an annual impairment test, and any impairment loss is recognised within the income statement. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated impairment losses.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used. A loss is reversed only to the extent of the asset's carrying value had no impairment loss been recognised.

The recoverable amount for marketing agreements (included within other) is determined as the fair value less costs of disposal.

Reclassification as non-current assets held for sale – non-current assets and intangible assets are classified as held for sale if it is highly probable that their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The reclassified assets are measured at the lower of their carrying value and fair value less costs of disposal.

Key Judgement

In arriving at the recoverable value for goodwill, key assumptions have been made regarding future projected cash flows, discount rates and terminal growth rates. These assumptions are considered further within note B3.1.

Goodwill and other intangible assets

	Goodwill $'000	Other $'000	Software and WIP $'000	Total $'000
Cost				
Balance at 1 July 2024	6,638	5,079	2,193	13,910
Additions	-	63	-	63
Disposal through sale	-	(30)	-	(30)
Balance at 30 June 2025	6,638	5,112	2,193	13,943
Balance at 1 July 2025	6,638	5,112	2,193	13,943
Additions	-	-	-	-
Disposal through sale	-	-	-	-
Balance at 30 June 2026	6,638	5,112	2,193	13,943
Accumulated amortisation and impairment losses				
Balance at 1 July 2024	-	(144)	(163)	(307)
Amortisation for the year	-	(49)	(203)	(252)
Disposal through sale	-	4	-	4
Balance at 30 June 2025	-	(189)	(366)	(555)
Balance at 1 July 2025	-	(189)	(366)	(555)
Amortisation for the year	-	(50)	(203)	(253)
Disposal	-	-	-	-
Balance at 30 June 2026	-	(239)	(569)	(808)
Carrying amounts				
At 30 June 2024	6,638	4,935	2,030	13,603
At 30 June 2025	6,638	4,923	1,827	13,388
At 30 June 2026	**6,638**	**4,873**	**1,624**	**13,135**

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B3.1 Impairment testing of goodwill

Goodwill relates to the Group's subsidiary Te Mata Exports 2012 Ltd ("Te Mata").

The Group has assessed the smallest group of assets that independently generate cashflows that relate to each goodwill amount (cash generating units ("CGU's")). For impairment testing the CGU's have been determined to be Te Mata.

The recoverable amount was determined on a value in use basis with the key assumptions being future cash flows, discount rates and terminal growth rates.

Future cash flows have been estimated over the next 5 years, with the key input being the growth rate in revenue. Estimated cash flows are discounted using a weighted average cost of capital ("WACC"), representing the minimum return a business must earn on its asset base to satisfy providers of capital. This rate considers both internal and external risks associated with the CGU along with an assessment of the time value of money.

Estimated revenue growth has been determined on the basis of expectations of future outcomes taking into account past experience, adjusting for anticipated revenue growth based on the Board approved strategy applied to the CGU in its current condition.

Te Mata Exports 2012 Ltd

The key inputs and assumptions used in estimating the recoverable amount of the Te Mata CGU were:

	2026	2025
Annual revenue growth rate (New Zealand / Australia)	2.0% / 2.0%	2.0% / 2.0%
Pre-tax discount rate	11.17%	11.60%
Terminal growth rate	2.0%	2.0%

Sensitivity to changes in key assumptions: the following sensitivity analysis has been performed in respect of the Te Mata goodwill balance:

Headroom / (impairment)	Pre-tax discount rate	Headroom $
WACC	10.0%	13,512
	11.5%	11,308
	13.0%	9,369

The net carrying value for the Te Mata CGU is $6.145 million (2025: $6.145 million). There is no accumulated impairment (2025: $nil).

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C. Managing Funding

In this section

This section explains how Market Gardeners manages its capital structure and working capital along with the various funding sources.

Capital management

Capital includes share capital, reserves and retained earnings. The Board's policy is to maintain a strong capital base to allow for both future growth and to maximise the return to shareholders in the form of rebates or distributions. These requirements are balanced to protect from volatility and changes in capital and market conditions.

The process of allocating capital across the Group is undertaken and regularly considered and reviewed by the Parent Company Board. There have been no material changes to the Group's management of capital during the period.

C1. Share capital

Judgement

"A", "B" and "C" shares are defined as puttable equity instruments under NZ IAS 32 and are classified as equity. The key area of judgement in reaching this conclusion was that cash flows arising from rebates do not substantially restrict the returns to shareholders and that A, B and C Shares are materially the same financial instrument.

Movements in the Group's issued and paid-up share capital are as follows:

	Rebate Shares (Number '000 / $'000)				
	A Shares	**B Shares**	**C Shares**	**Treasury**	**Total**
Balance at 1 July 2024	**62,466**	**16,682**	**991**	**(1,914)**	**78,225**
Shares issued	6,644	9,224	1,000	-	16,868
Shares transferred	11,159	(10,161)	(998)	-	-
Shares surrendered	(1,860)	(257)	-	-	(2,117)
Treasury stock	613	-	-	(613)	-
Balance at 30 June 2025	**79,022**	**15,488**	**993**	**(2,527)**	**92,976**
Shares issued	9,563	6,093	1,000	-	16,656
Shares transferred	8,786	(7,794)	(992)	-	-
Shares surrendered	(6,798)	(237)	(4)	-	(7,039)
Treasury stock	2,897	-	-	(2,897)	-
Balance at 30 June 2026	**93,470**	**13,550**	**997**	**(5,424)**	**102,593**

Shares are issued, redeemed and surrendered at $1.00 per share and in accordance with the requirements of the Co-operative Companies Act 1996 and the Company constitution. Applications are considered at least quarterly.

Key features / rights of each class of share – refer to the constitution for full terms.

Voting Rights	Shareholders are entitled to one vote for each "A" share held up to a maximum of 1,000 votes. Voting rights are suspended if the shareholder has not transacted a minimum level of business being $10,000 of produce sales in any one year or on average over a rolling three-year period.
	"B" and "C" shares do not carry any voting rights.
Dividend Rights	All shares are rebate shares, carrying a right to dividends and rebates as determined by the Board.
Wind-up	All classes of share rank equally on wind-up with regard to the Parent Company's residual assets.
Conversion	"C" and "B" shares are able to be converted to "B" and/or "A" shares at the Board's discretion.
Surrender of shares	All shares are surrendered at the lesser of $1.00 or the amount paid up on those shares.
	Shareholdings under 100,000 shares are surrendered in full following Board approval.
	Shareholdings between 100,000 and 1,000,000 shares are surrendered in instalments of 100,000 shares, payable following board approval and annually thereafter until fully paid.
	Shareholdings over 1,000,000 shares are surrendered in 10 equal instalments, with the first instalment surrendered on Board approval and the remaining instalments on each of the following nine anniversaries.
	Annual distributions in respect of shares subject to an approved surrender programme are paid out annually in addition to the scheduled instalments.
	Where a shareholder holds multiple classes of shares, shares are surrendered in the following order: "C" shares, then "B" shares (by designated year of issue, newest first), then "A" shares.
	All surrenders are subject to applicable legislative, banking and solvency requirements. The Board may accelerate a surrender programme at its discretion.
	The Parent Company has a first lien on all shares and the proceeds from the sale or surrender of such shares for unpaid amounts in relation to those shares or amounts due to Group companies.

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Treasury Stock	"A" shares that have been surrendered by a shareholder but held for reissue instead of being cancelled upon surrender.

The surrender policy was amended with effect from 2 June 2026. The amendments changed the timing of surrender instalments and the treatment of annual distributions on shares subject to an approved surrender programme, and clarified the order in which classes of shares are surrendered as reflected in the table above. The other key features remain unchanged.

Post balance date issuance of shares, dividends and rebates to shareholders

	2026	2025
All matters below were declared and accounted for on	13 August 2026	21 August 2025
Special bonus issue of A Shares	1 for every 12 existing	1 for every 12 existing
Special bonus issue of B Shares	1 for every 3 existing	1 for every 3 existing
Special bonus issue of C Shares	1 for every 1 existing	1 for every 1 existing
Taxable supplier shareholder rebate – paid by issuing C Shares	$250,000	$250,000
Bonus issue on supplier shareholder rebate	3 for every 1 share issued above	3 for every 1 share issued above
Taxable and fully imputed Dividend to be issued from retained earnings at completion of the Annual Meeting.	Final – 3 cents per "A" share. No interim dividend declared	Final – 3 cents per "A" share. No interim dividend declared

C2. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with a maturity of three months or less. Amounts held in a foreign currency are converted to NZD using the applicable exchange rate as at year end. Refer to the table below for the different currencies held by the Group.

	2026		2025	
	Foreign $'000	NZD $'000	Foreign $'000	NZD $'000
NZD	11,395	11,395	8,873	8,873
AUD	1,194	1,450	475	515
Other (USD, EUR, JPY)	8,399	1,027	616	357
Total cash and cash equivalents		**13,872**		**9,745**

AUD, USD, EUR and JPY have been translated at the closing exchange rate of 0.8227, 0.5706, 0.4989 and 92.0036 respectively (2025: 0.9244 AUD, 0.6067 USD, 0.5159 EUR and 87.825 JPY).

C3. Trade and other receivables

Measurement and recognition

Trade receivables without a significant financing component are initially measured at the transaction price. All other trade and other receivables are initially measured at fair value plus transaction costs. Trade and other receivables are subsequently measured at amortised cost.

A provision for the impairment of receivables is established using the expected credit losses ("ECL") general model, which is both forward-looking and takes into account historical provision rates and the economic environment. The provision recorded is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. Debts that are known to be uncollectible are written off immediately.

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Trade and other receivables	2026 $'000	2025 $'000
Not past due	21,860	30,300
Past due 1-30 days	21,506	21,637
Past due greater than 30 days	6,670	5,735
Less: allowance for ECL	(1,235)	(1,124)
Total trade receivables	**48,801**	**56,548**
Prepayments and accrued revenue	4,814	3,707
Receivables from MG Charitable Trust (Note F5)	1,854	1,854
Derivative assets	68	463
Finance receivables	936	622
Other receivables	6,484	4,595
Total trade and other receivables	**62,957**	**67,789**

C4. Trade and other payables

Measurement and recognition

Trade and other payables

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Due to their short-term nature they are not discounted.

Trade payables are initially measured at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method.

Refer to note A2 for the measurement and recognition of employee benefits, included within trade and other payables.

Trade and other payables	2026 $'000	2025 $'000
Non-current		
Other payables	209	300
Employee benefits	276	239
Total non-current trade and other payables	485	539
Current		
Trade and other payables	74,803	60,618
Employee benefits	11,291	9,835
Total current trade and other payables	86,094	70,453
Total trade and other payables	**86,579**	**70,992**

Included above are $5,801,000 (2025: $577,000) of trade payables denominated in Australian dollars and $3,283,000 (2025: $2,237,000) of trade payables denominated in US dollars.

C5. Interest-bearing borrowings

Measurement and recognition

Interest-bearing borrowings are recognised initially at fair value, net of transaction costs paid. Subsequent to this, borrowings are stated at amortised cost using the effective interest rate method. In 2026 the effective interest rate on borrowings for the Group was 4.5% (2025: 4.84%). All borrowings are subject to floating interest rates.

The bank loans are secured over land and buildings with a carrying amount of $294.48 million (2025: $286.3 million).

Interest-bearing borrowings	2026 $'000	2025 $'000
Non-current secured bank loans	74,452	74,452
Current secured bank loans	-	6,547
Total interest-bearing borrowings	**74,452**	**80,999**

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C6. Lease liability

Measurement and recognition

Leases are contracts that convey the right to use an asset for a period of time, in exchange for consideration. The majority of the Group's leases relate to properties. Property leases will often include extension and termination options, open market rent reviews, indexation uplifts or fixed uplifts.

Lease liability

The lease liability is initially measured at the present value of the lease payments still to be made, discounted using the Group's incremental borrowing rate, taking into account the duration of the lease.

The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to profit or loss over the lease period.

The lease liability is remeasured where a lease is modified, such as a change in lease term or payments. A revised discount rate is applied to any modifications. This adjustment is also taken to the right-of-use asset refer to B1.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore properties to their original condition, less any lease incentives received. The right-of-use asset is depreciated on a straight-line basis over the applicable lease term.

The movement of the right-of-use asset is disclosed in note B1.

Judgements:

The judgements in determining the lease liability are:

- Estimation of the lease renewals: Some property leases in the Group contain renewal options exercisable by the lessee before the end of the non-cancellable contract period. The period covered by renewal options is only included in the lease term if the lessee is reasonably certain to exercise the option.

C.6.1 Lease liability

	2026 $'000	2025 $'000
Opening lease liability	5,757	6,068
Additions	3,797	4,254
Termination	(854)	(3,155)
Interest on lease liabilities	460	339
Gross payments (cash outflows in relation to leases)	(2,114)	(1,749)
Lease liability as at 30 June	**7,046**	**5,757**
Non-current lease liability	**5,106**	**3,965**
Current lease liability	**1,940**	**1,792**

C6.2 Lease expenses

The income statement includes expenses relating to short term leases of $121,000 (2025: $102,000) and expenses relating to leases of low value assets of $7,000 (2025: $7,000). Interest on lease liabilities is within financial expenses.

C6.3 Group as a lessor

The Group leases out owned property for a period significantly less than its useful life, with the annual payments recorded within other operating income. The Group also acts as the lessor of packing equipment to certain suppliers.

The future minimum lease receipts under non-cancellable operating leases as lessor are as follows:

	2026 $'000	2025 $'000
Less than one year	1,792	2,095
Between one and five years	2,677	3,375
More than five years	-	-
Future minimum lease receipts as at 30 June	**4,469**	**5,470**

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D. Group Structure

In this section

This section provides information to help readers understand Market Gardeners' group structure and how it affects the financial position and performance of the Group.

D1. Subsidiaries

Measurement and recognition

Subsidiaries are entities where the Group is exposed to variable returns from the entity and controls or directs the relevant activities of the subsidiary. Subsidiaries are consolidated until the date that control ceases.

Significant subsidiaries	Principal activity	Country of incorporation	2026 %	2025 %
Hansons Lane International Holdings Ltd	Investment Holding	New Zealand	100	100
J. S. Ewers Ltd	Produce Grower	New Zealand	100	100
Kaipaki Holdings Ltd	Asset Holding	New Zealand	100	100
Kaipaki Berryfruits Ltd	Berryfruit production	New Zealand	100	100
Te Mata Exports 2012 Ltd*	Produce Exporting	New Zealand	84	84
Southern Paprika Ltd	Produce Grower	New Zealand	100	100
Market Gardeners (USA) Inc.	Produce Sourcing and Exporting	USA	100	100
Lambells Properties Pty Ltd	Property Holding	Australia	100	100
Te Mata Exports Australia Pty Ltd*	Produce Export	Australia	100	100

* Te Mata Exports 2012 Ltd and Te Mata Exports Australia Pty Ltd have changed their balance date to 30 June from 31 December in the current year.

D2. Associates and joint arrangements (equity accounted investees)

Measurement and recognition

Associates and joint arrangements are entities where the Group has significant influence or joint control, but not control, over the activities of the entity. The Group's investment is initially recognised at cost plus the Group's share of any profit or loss up until the date at which that significant influence or joint control ceases. If the Group's share of losses exceeds its interest in the entity, the carrying amount is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Associates and joint arrangements	Principal activity	Country of incorporation	Year end	2026 %	2025 %
United Flower Growers Ltd (2)	Flower Wholesale	New Zealand	30 Jun	50	50
Zee Sweet Ltd (1)	Horticulture	New Zealand	31 Dec	33	33
New Zealand Fruit Tree Company Ltd (1)	Horticulture	New Zealand	31 Dec	33	33
First Fresh New Zealand Ltd (1)	Produce Marketing & export	New Zealand	31 Mar	50	50

(1) = associate, (2) = joint arrangement.

The Group's share of profit / (loss) in its equity accounted investees for the year was $0.857 million (2025: $0.643 million). The investees are not considered to be individually material. A summary of financial information for these entities is as follows:

	Profit $'000	Comprehensive income $'000	Carrying amount $'000
2026	2,651	1,891	6,791
2025	1,970	1,272	6,230

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D3. Other investments

Waimea Irrigators Limited and Century Water Limited raised funds through the issue of shares and redeemable notes in order to provide funding for the construction of a new dam to bring security of water supply to irrigators / growers in the Nelson region. These investments are carried at fair value, which is approximated at cost.

	2026 $'000	2025 $'000
Waimea Irrigators Limited – Shares	1,195	1,195
Century Water Limited - Redeemable notes	2,188	2,188
Other	1,219	736
Total other investments	**4,602**	**4,119**

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E. Financial Instruments Used to Manage Risk

In this section
This section explains the financial risks that the Group faces and how these risks are managed.

The Group is exposed to a variety of risks associated with its operations and from its use of financial instruments. These can be broadly classified as: credit, liquidity, interest rate and foreign currency risks.

E1.1 Credit risk

Credit risk is the risk that those that owe money to the Group default on their obligations. The Group's exposure to credit risk is mainly through trade receivables that remain outstanding. Refer to note C3 for the status of trade receivables at year end.

The Group credit policy requires new customers to be assessed for credit worthiness. The carrying amount of financial assets represents the Group's maximum credit exposure. The Group has no undue concentrations of credit risk.

E1.2 Liquidity risk

Liquidity risk represents the Group's ability to meet its obligations. Liquidity requirements are evaluated on an ongoing basis. In general, sufficient operating cash flows are generated to meet obligations arising from its financial liabilities and there are credit lines in place to cover potential shortfalls. The Group has additional undrawn facilities of $54.4 million (2025: $53.0 million) at its disposal to further reduce liquidity risk.

The contractual maturities of financial liabilities (excluding derivatives) are analysed in the below table. The amounts will not necessarily reconcile to the statement of financial position as they are undiscounted cash flows and include interest.

2026	Statement of Financial Position $'000	Contractual cash flow $'000	< 6 months $'000	6-12 months $'000	1-2 years $'000	2-5 years $'000	> 5 years $'000
Borrowings	74,452	81,215	1,449	1,449	2,899	75,418	-
Trade and other payables	73,949	73,949	73,949	-	-	-	-
Lease liability	7,046	9,021	1,002	1,001	1,682	3,364	1,972
Derivatives	1,063	1,063	854	-	209	-	-
Total financial liabilities	**156,510**	**165,248**	**77,254**	**2,450**	**4,790**	**78,782**	**1,972**

2025	Statement of Financial Position $'000	Contractual cash flow $'000	< 6 months $'000	6-12 months $'000	1-2 years $'000	2-5 years $'000	> 5 years $'000
Borrowings	80,999	92,359	8,251	1,704	3,408	78,996	-
Trade and other payables	60,204	60,204	60,204	-	-	-	-
Lease liability	5,757	7,145	896	896	1,792	2,797	764
Derivatives	473	473	173	-	-	300	-
Total financial liabilities	**147,433**	**160,181**	**69,524**	**2,600**	**5,200**	**82,093**	**764**

E1.3 Interest rate risk

The Group is exposed to interest rate risk from the cashflows on floating rate borrowings. The Group uses interest rate swaps to achieve an appropriate mix of fixed and floating rate exposure, through policies established by the Board which target hedging of 25-100% of non-current borrowings.

Interest rate swaps are designated as a cashflow hedge and allow a fixed interest rate to be obtained at a future date. They are recognised at fair value, to the extent the hedge is effective, any movements are recorded in equity. Any ineffectiveness is recognised in profit or loss. Interest rate swaps are Level 2 instruments and fair values are obtained from market observable pricing information. In these hedge relationships, the main sources of possible ineffectiveness are changes in the timing of the hedged transactions and general counterparty credit risk.

The interest rate swaps settle on a quarterly basis. The fixed interest rates average 3.79% (2025: 3.79%). The variable rates are set on the 3-month New Zealand Bank Bill Reference Rate (BKBM), which at balance date was 2.78% BKBM, (2025: 3.29% BKBM).

The following table details the notional and fair value interest rate swaps as at 30 June.

	2026 Notional Value $'000	2026 Fair Value $'000	2025 Notional Value $'000	2025 Fair Value $'000
NZD Interest rate swaps	25,000	(209)	25,000	(300)
AUD interest rate swaps (NZD equivalent)	-	-	-	-
Total	**25,000**	**(209)**	**25,000**	**(300)**

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E1.4 Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases, denominated in a currency other than the functional currency. The key foreign currencies transacted in are Australian dollars and US dollars. The Group uses forward exchange contracts to manage the risk for significant transactions including all sales and purchases of product other than minor transactions. It is estimated that a 1 percentage point change in the NZD against these currencies would change current year profit before tax by $1,000 (decrease) (2025: $11,000 (decrease)). Forward exchange contracts are Level 2 instruments. Their fair value is determined using forward exchange rates at year end, with the resulting value discounted back to present value. In these hedge relationships, the main sources of possible ineffectiveness are changes in the timing, quality, or quantity of the hedged transactions and general counterparty credit risk.

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F. Other

In this section
This section includes information required to comply with financial reporting standards that is not covered previously.

F1. Related parties

Related party transactions

These are transactions between the Group and related individuals or entities by nature of influence or control. The Group has such relationships with its key management personnel and equity accounted investments. The disclosure of transactions with these parties enables readers to form a view of the impact of related party relationships on the Group.

Transactions with associates and joint arrangements

The table below sets out the transactions with associates and joint arrangements. Advances to associates are interest bearing (at the parent company's average cost of borrowing 4.5% (2025: 6.5%) (+ a margin of 1.2%-2%)) unless deemed part of the Group's investment. These advances are payable on demand.

	2026 $'000	2025 $'000
Sales of goods and services	298	334
Purchases of goods and services	18,694	16,131
Closing advances/receivables	14	17
Closing loans/payables	1,010	663

No expense or movement in provision on outstanding balances with associates was recorded during 2026 or 2025.

Key management personnel compensation

In addition to their salaries, the Group also provides non-cash benefits to directors and executive officers, and for executive officers contributes to a defined contribution superannuation plan on their behalf.

Like most co-operatives, the Group has frequent transactions with its grower Directors (sales to, agency sales for and purchases from Directors) in the ordinary course of business.

	2026 $'000	2025 $'000
Key management personnel compensation comprised:		
Director's fees and remuneration	772	713
Short-term employee benefits	3,198	3,003
Other transactions with key management personnel		
Gross value of sales	71,077	58,438
Commission charged on sales (as above)	8,529	7,013
Gross value of other transactions (prepacking services and sundry other expenses)	254	68
Amounts owing at 30 June	4,107	2,644

F2. Auditor's remuneration

	2026 $'000	2025 $'000
Audit or review related services		
Market Gardeners Limited and subsidiaries (KPMG)	198	195
Market Gardeners Limited share register audit (KPMG)	5	5
JV Ripening audit (KPMG)	10	-

No other service fees have been paid to KPMG in the last two years.
Audit remuneration is included within administrative expenses in the statement of comprehensive income.

F3. Capital Commitments

At 30 June 2026 the Group had capital commitments of $0.37 million (2025: $5.95 million). Capital commitments primarily relate to investment in assets and infrastructure. Capital commitments are recognised after a formal capital review and approval process.

F4. Contingencies

Trade indemnities and guarantees issued by the Group amount to $0.350 million for associate companies (2025: $0.364 million).

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F5. MG Charitable Trust

In November 2019 the Parent Company's shareholders approved the formation of the MG Marketing Charitable Trust and its Trust Deed dated 20 November 2019 (the Deed). The Trust changed its name on 18 August 2022 to the MG Charitable Trust (the Trust). In accordance with the Deed, the Trust's operations are to be reported to the Parent Company (as settlor under the Deed) and its shareholders.

The Chair's and Chief Executive Officer's review attached to this report comments on the MG Charitable Trust. The Trust has prepared an Annual Review for the 12 months ended 30 June 2026 which is an extract of the full performance report and financial statements of the trust and outlines the:
- key objectives of the Trust;
- trust structure, governance, management and funding;
- a review of the contestable funding and the education funding rounds;
- summary financial information including statements of financial performance, financial position and cash flows.

The Annual Review and full Performance Report are available on the MG website.

On 3 May 2022 the Trust's Deed was varied by vesting the statutory power of appointment of the majority of the trustees in the shareholders of MG (in addition to those able to be appointed by MG as Settlor). At least one trustee is appointed by MG as settlor. The Group does not control the Trust. No auditor is appointed to the Trust and no review has been undertaken.

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G. About this report

In this section

The notes to the consolidated financial statements include information which is considered relevant and material to assist the reader in understanding the financial performance and position of Market Gardeners.

Information is considered relevant and material if:

- the amount is significant because of its size and nature;
- it is important for understanding the results of Market Gardeners;
- it helps to explain changes in Market Gardener's business; or
- it relates to an aspect of Market Gardener's operations that is important to future performance.

Reporting entity

The Parent Company, Market Gardeners Limited, is a for-profit entity domiciled in New Zealand and registered under the Companies Act 1993 and the Co-operative Companies Act 1996. The Company is an FMC Reporting Entity for the purposes of the Financial Markets Conduct Act 2013 and prepares its financial statements in accordance with that Act.

The 30 June 2026 consolidated financial statements are for Market Gardeners Limited and its subsidiaries (together referred to as "Market Gardeners" or "Group") and its interests in associates and joint arrangements as at year end.

The Group is primarily involved in growing, merchandising, wholesale, ripening, distribution, import and export operations of fresh fruit and produce. The Group's registered office is 78 Waterloo Road, Hornby, Christchurch 8042.

Statement of compliance and basis of preparation

The financial statements have been prepared:

- in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and with the International Financial Reporting Standards ("IFRS"), as appropriate for for-profit entities.
- for the 52-week period ending 3 July 2026 (2025: 53-week period ending 4 July 2025). This ensures comparability given the Group weekly trading cycles. For simplicity the financial statements are referred to as 30 June.
- in New Zealand dollars rounded to the nearest thousand ($000), except when otherwise indicated.

In preparing the consolidated Group financial statements, intra-group balances and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Comparatives

Where necessary, certain comparative information has been reclassified to conform to changes in presentation in the current year.

Foreign currency

Foreign currency transactions are translated at the exchange rates at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value are retranslated using the exchange rate at the valuation date.

The assets and liabilities of foreign operations, including goodwill, are translated to New Zealand dollars at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to New Zealand dollars at the exchange rate at the relevant transaction date. Foreign currency differences are recognised in the foreign currency translation reserve (FCTR).

The functional currencies and rates used were New Zealand dollars and Australian dollars.

Rate used in the preparation of these financial statements	2026 AUD	2025 AUD
Average rate for the year	0.8233	0.9267
Closing rate	0.8227	0.9244

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Critical estimates and judgements

The preparation of the financial statements requires management to exercise judgement in applying Group accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis.

Key judgements

Key judgements are those judgements that align with the key audit matters, that were the most significant to the audit of the consolidated financial statements of the current period.

- Revaluation of land and buildings (in valuation year, 2025) — Note B1

Other judgements used in understanding the Group's position and performance are described below:

- Measurement and recognition of revenues — Note A1.1
- Measurement of shares — Note C1
- Measurement and recognition of lease liabilities — Note C6
- Impairment assessment of intangible assets — Note B3.1
- Recognition of tax assets/(liabilities) — Note A3.2

New accounting standards

Accounting pronouncements which have become effective from 1 July 2025 and have therefore been adopted do not have a significant impact on the Group's financial results or position.

Accounting standards issued but not yet effective

In May 2024 the XRB introduced NZ IFRS 18 (effective from periods beginning on or after 1 January 2027). This standard will replace NZ IAS 1, and introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures in a single note together with reconciliation requirements and additional guidance on aggregation and disaggregation principles in the financial statements.

There are currently no standards issued but not yet effective that are expected to have a material effect on measurement for the Group.

Subsequent events

Other than the annual distribution there are no subsequent events to report at the time of adopting these financial statements.

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Independent Auditor's Report

To the Shareholders of Market Gardeners Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Market Gardeners Limited (the **Company**) and its subsidiaries (the **Group**) on pages 26 to 51 present fairly in all material respects:

- the Group's financial position as at 30 June 2026 and its financial performance and cash flows for the year ended on that date;
- in accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Market Gardeners Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has provided other services to the Group in relation to the assurance on the Company's share register and Ripening Partnership between Dole NZ and MG. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

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Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at $3.7 million determined with reference to a benchmark of the Group's net assets. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period.

We have determined that there are no key audit matters to communicate in our report.

Other information

The Directors, on behalf of the Group, are responsible for the other information. The other information comprises information included in the Annual Report (the Financial Highlights, Chairman and Chief Executive's review, disclosures relating to corporate governance, and statutory information) but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the Shareholders. Our audit work has been undertaken so that we might state to the Shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the Shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of Directors for the consolidated financial statements

The Directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Matt Kinraid.

For and on behalf of:

KPMG

KPMG
Christchurch
24 September 2026

Statutory information

1. Directors' fees & remuneration

Parent Company The following people held office as Director of the Parent Company during the year and received the following remuneration and other benefits for acting as such:	*** Directors' fees**	*** Committee fees**	**Other benefits**
T.J. Burt	75,000	12,750	7,187
L.T. Crozier (Deputy Chair)	75,000	-	7,187
J.A. Lim	75,000	10,000	4,787
B.R. Irvine (Chair)	150,000	8,875	7,187
M.R. O'Connor	75,000	3,875	7,187
T. Webb	75,000	3,875	4,787
R. Oakley	75,000	-	7,187
J.J. Clarke	75,000	5,000	7,187
	675,000	**44,375**	**52,696**

* No director of a subsidiary company receives any remuneration or other benefits from the subsidiary company for acting as such.

In addition to the remuneration and other benefits disclosed above, T. Webb and R. Oakley each received $2,000 for acting as Trustees of the MG Charitable Trust.

Any remuneration or other benefits received by employees, as employees, are included in the relevant bandings in the table below.

Committee fees are paid to Directors for performing the role of chair of a committee, or being a member of a committee.

2. Auditors' remuneration

The amounts payable to the auditors of the Parent Company and subsidiaries during the year are detailed in note F2 of the attached financial statements to 30 June 2026.

3. Co-operative Companies Act 1996 Declaration

In compliance with clause 10 of the Co-operative Companies Act 1996 the Board of Directors of Market Gardeners Limited unanimously resolved on 30 June 2026 that, in their opinion, the Parent Company had been a co-operative company throughout the period 1 July 2025 to 30 June 2026. This opinion was based on the fact that, more than 60% of the voting rights were held by transacting shareholders and that the Parent Company continued to carry on its principal co-operative activities as detailed in its constitution.

4. Executive employees' remuneration

During the year the following numbers of employees received remuneration in excess of $100,000:

Remuneration range	Number of employees	Remuneration range	Number of employees
100,000 to 109,999	15	280,000 to 289,999	1
110,000 to 119,999	17	310,000 to 319,999	1
120,000 to 129,999	16	320,000 to 329,999	1
130,000 to 139,999	7	330,000 to 339,999	2
140,000 to 149,999	10	340,000 to 349,999	1
150,000 to 159,999	9	350,000 to 359,999	1
160,000 to 169,999	4	390,000 to 399,999	2
170,000 to 179,999	5	410,000 to 419,999	1
180,000 to 189,999	12	420,000 to 429,999	1
190,000 to 199,999	12	560,000 to 569,999	2
200,000 to 209,999	3	580,000 to 589,999	1
210,000 to 219,999	7	630,000 to 639,999	1
220,000 to 229,999	4	640,000 to 649,999	1
230,000 to 239,999	2	1,510,000 to 1,519,999	1
240,000 to 249,999	3		

The remuneration details of those employees paid outside New Zealand have been converted into New Zealand dollars. Remuneration includes an employee's remuneration, together with the value of other benefits received such as vehicle usage, medical insurance and telephone rentals.

The remuneration of employees in Australia, USA and New Zealand, is included in the above table.

5. Changes in accounting policies

The attached financial statements to 30 June 2026 have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The accounting policies set out in the attached financial statements have been applied consistently to all periods presented in those financial statements and by Group entities.

6. Directors of subsidiaries

As at 30 June 2026:

Messrs B.R. Irvine, P.S. Hendry (CEO) and D.J. Pryor (Company Secretary) were the Directors of Hansons Lane International Holdings Ltd, Kaipaki Holdings Ltd, LaManna Ltd, LaManna Bananas (NZ) Ltd, MG Group Exports Ltd, MG Marketing Ltd, MG New Zealand Ltd, MG Sustainable Operations Ltd, and Quitachi Ltd.

Messrs K.J. Wells (Executive Director NZ Subsidiaries and Associates), P.S. Hendry (CEO) and D.J. Pryor (Company Secretary) were the Directors of Southern Paprika Ltd, J.S. Ewers Ltd and Kaipaki Berryfruits Ltd.

Messrs K.J. Wells (Executive Director NZ Subsidiaries and Associates) and D. Trask were the directors of Market Gardeners (USA), Inc.

Messrs K.J. Wells (Executive Director NZ Subsidiaries and Associates), P.S. Hendry (CEO), P.C. Scheffer and Ms. S.J. McCormack were the directors of Te Mata Exports 2012 Ltd, Te Mata Exports Ltd and Te Mata Exports Australia Pty Ltd.

Messrs. B.R. Irvine, P.S. Hendry, D.J. Pryor and P.C. Scheffer were the directors of Lambell's Properties Pty Ltd.

7. Interests register

The following entries were recorded in the interest's register of the Group during the accounting period.

General disclosures

Like most co-operative companies, Market Gardeners Limited has frequent transactions with its grower Directors (sales to, agency sales for and purchases from Directors) in the ordinary course of business. For additional information refer to note F1 of the attached financial statements to 30 June 2026.

The general interests register of the Group records Directors' interests in companies and other entities which have or may have material ongoing dealings with the Company and / or Group. During the financial year ended 30 June 2026, there were no new disclosures made and recorded in the register.

A number of directors disclosed changes to existing disclosures (such as being appointed Chair), resignations from other directorships held and previously disclosed in the interests register and changes in shareholdings in the Parent Company.

Particular disclosures

During the period all directors reconfirmed their interests by virtue of being directly or indirectly shareholders in Market Gardeners Ltd.

(a) Directors' & officers' indemnity and insurance

The Group (Parent Company, its subsidiaries and associates) has effected Directors' and Officers' liability insurance on behalf of the Directors and Officers of those entities and have also entered into indemnities with those Directors and Officers as permitted by the relevant parent, subsidiary or associate company's constitution.

(b) Use of company information

During the accounting period, the Boards of the Group entities (Parent Company, subsidiary and associate companies) did not receive any notices from any Directors of the relevant entity requesting the use of company information received in their capacity as Directors which would not otherwise have been available to them.

(c) Interest in actual or proposed transactions of the Parent Company

No declarations in actual or proposed transactions of the Parent Company were made during the accounting period.

(d) Share dealings

The following are the shareholdings of Directors of the Parent Company at 30 June 2026. The changes in the shareholdings are in accordance with the Parent Company's normal operating policies and constitution which are applied equally to all shareholders.

	30 June 2026			30 June 2025		
	A Shares	B Shares	C Shares	A Shares	B Shares	C Shares
J.A. Lim (joint shareholding)	334,545	75,185	1,344	252,752	92,263	2,628
M.R. O'Connor	-	-	-	-	-	-
Held by a company of which he is a shareholder & director	2,407,426	404,449	26,020	1,918,580	418,190	27,008
T. Webb	-	-	-	-	-	-
Held by a company of which she is a shareholder & director	286,581	85,981	8,836	229,249	81,727	7,620
R. Oakley	2,442,542	356,462	17,236	1,790,097	434,958	23,480
J.J. Clarke	1,469,932	530,707	35,504	931,988	594,783	35,712

The above table discloses the shareholdings of Directors of the Parent Company. The changes in the shareholdings are in accordance with the Parent Company's normal operating policies and constitution which are applied equally to all shareholders. "A", "B" and "C" shares are rebate shares.

	30 June 2026			30 June 2025		
	A Shares	B Shares	C Shares	A Shares	B Shares	C Shares
T. Burt, L.T. Crozier, B.R. Irvine, J.A. Lim, M.R. O'Connor, T. Webb, R. Oakley and J.J. Clarke as Directors of Market Gardeners Ltd (holding Treasury stock)	5,424,335	-	-	2,527,163	-	-

The above table discloses the shareholdings of treasury stock as at 30 June.

	30 June 2026			30 June 2025		
	A Shares	B Shares	C Shares	A Shares	B Shares	C Shares
Held by the MG Charitable Trust	3,359,120	579,893	26,656	2,874,214	575,514	29,032

R. Oakley and T. Webb, directors of the Parent Company, are two of the five trustees of the MG Charitable Trust (the Trust). The changes in the shareholdings are in accordance with the Parent Company's normal operating policies and constitution which are applied equally to all shareholders. "A", "B" and "C" shares are rebate shares.

8. Donations

During the year the Parent Company made donations of $58,000 (2025: $48,000), the Group $58,000 (2025: $49,000).

Corporate governance statement

The Board of Market Gardeners Ltd (MG) is committed to the highest standards of ethical behaviour in its own corporate governance, with Directors acting in good faith and in what they believe to be in the best interests of the Company and Group. The Board and each board committee has a charter to define its role and responsibilities. The Board also adheres to a formal Code of Conduct.

Role of the Board
The Board is responsible for the proper direction and control of the Group's activities. The primary objective is the creation of sustainable shareholder value through appropriate strategies and ensuring they are implemented effectively by management.

The Board's responsibilities include general stewardship, working with management to set the Company and Group's strategic direction (including but not limited to oversight of health and safety, sustainability, and cyber-security considerations), the integrity of information systems and reporting through to shareholders. The Board acknowledges that it is responsible for the overall control framework of the Group, however, also recognises that no cost-effective internal control system will preclude all errors and irregularities. The Board ensures that there are effective policies, procedures, and guidelines in place along with the organisational structures that provide an appropriate division of responsibilities, and the selection and training of appropriately qualified personnel.

To this end the Board, primarily through the audit committee, continues a rigorous process of reviewing, adding to and updating MG's policies and practices, and those of the Group, to keep pace with both domestic and international developments in this area. It is important to note that developments occur frequently, and the Board continues to reaffirm its commitment to maintaining high-quality policies, procedures and practices into the future, throughout the Group.

The Board has delegated the conduct of day-to-day affairs of the company to the CEO and Senior Management.

Board Operations and Membership
The majority of the Board is elected by MG's shareholders with at least two special directors required to be also appointed by the shareholder elected grower directors. Under the Companies Act 1993 and the Cooperative Companies Act 1996 the Board has overall responsibility for the governance, management and supervision of the Company and wider Group.

The Board is committed to the principle that there should be a balance of independence, skills, knowledge and experience amongst the directors. The current Board of Directors consists of 6 shareholder elected Directors (Lynn Crozier (Deputy Chair), Mark O'Connor, Joanna Lim, Trudi Webb, Robin Oakley and Jay Clarke) and 2 Special Directors (Bruce Irvine (Chair) and Trevor Burt). None of the MG Directors are directly involved in the day-to-day management of the Company's operations, however their experience and expertise is utilised as appropriate at various times throughout the year. The board composition is currently being reviewed with an intention to go to 5 shareholder elected Directors and 3 Special Directors.

Like most cooperatives, MG has frequent transactions with its grower directors (sales to, agency sales for and purchases from Directors or their businesses / companies). These transactions are entered into in the normal course of business. A register of interests is maintained and regularly updated documenting interests disclosed by all Board members. These relationships are actively reviewed to ensure that our Directors' independent judgement is not compromised. The statutory disclosure section of the annual report documents all disclosures made in the current year.

With regards to appointments of Directors for subsidiary and associate companies which form part of the Group, the MG Board considers and makes all appointments of the MG representative directors. As associate companies are only partly owned, MG only appoints certain representative directors to such entities. The remaining directors are appointed by the other shareholders in those companies.

MG's constitution has specific procedures for the appointment and retirement of Directors, eligibility requirements for being nominated / appointed and automatic retirement rotations every three years. The MG Board met 10 times during the financial year (11 times last financial year), in addition to attending to committee matters between meetings. These meetings include conference calls to address any matters or issues arising between scheduled meeting dates. In addition to the meetings of the Parent Company, Directors of the subsidiary and associate companies also met throughout the year. The outcomes of such meetings, key business issues and the performance of such companies are reported through to each meeting of the MG Board by MG's representative Directors.

Board charter, code of conduct and Director Capability framework
The Board first adopted a Board Charter, Code of Conduct and a Director Capability Framework in 2017. These documents are reviewed annually and are published on MG's website. The charter formalises and sets out the manner in which the Board's powers and responsibilities will be exercised and discharged, adopting principles of good corporate governance and practice that accord with best practice, the

applicable laws in the jurisdictions in which the Company operates and the Core Purpose of the Company. This is supported by the Code of Conduct and further by the Director Capability framework.

Group Management Structure
The core business of the Group is transacted in New Zealand by Market Gardeners Ltd. The parent company is supplemented by its respective subsidiaries and associates. MG is represented on the boards of the subsidiary and core trading associate companies by members of the MG Board, MG appointees and / or senior management.

The Board delegates the management of the day-to-day affairs of the Company to the Senior Management Team under the leadership of the CEO. MG's Chief Executive (Peter Hendry) together with the Company Secretary (Duncan Pryor), Chief Financial Officer (David Bennett) and Executive Director Subsidiaries and Associates (Kerry Wells) attend all MG Board meetings.

Anti-Corruption and Competitive Practice Guideline
Within the global economy, most countries have put in place anti-corruption and competition laws, which MG welcomes and endorses. As a global company, MG has adopted guidelines and policies in relation to anti-corruption and anti-competitive behaviour. MG wants to ensure its team members act, at all times honestly, with integrity and undertake a proper approach to the way MG conducts its business.

Board Remuneration
MG periodically obtains external professional advice on the remuneration paid to Directors. Recommendations arising from an independent remuneration review are considered by the Remuneration & Nomination Committee and the Board and, where appropriate, submitted to shareholders for approval at the Company's Annual Meeting.

In 2025, MG commissioned Strategic Pay Limited, an independent remuneration specialist, to review Directors' fees and recommend an appropriate level of remuneration. Following that review, shareholders approved an aggregate Directors' fee pool of $784,137 at the 2025 Annual Meeting. The pool includes all fees and daily allowances relating to the Board, Audit Committee and Remuneration & Nomination Committee.

In 2026, rather than commissioning another full independent benchmarking review, the Board considered Strategic Pay Limited's Directors' Fees Report, which contains detailed published market data on current Directors' fees across a range of industry sectors and comparator groups. This information was used to assess an appropriate general movement in Directors' fees for MG for the 2026/27 year.

Having considered that information, the Board is seeking shareholder approval at the 2026 Annual Meeting to increase the aggregate Directors' fee pool by 3.25%, being $25,484, from $784,137 to $809,621 per annum with effect from 1 January 2027. The proposed pool will continue to include all fees and daily allowances relating to the Board, Audit Committee and Remuneration & Nomination Committee. Duties outside the normal duties of a Director, if any, will continue to be remunerated by special fees in accordance with the Constitution.

Shareholder Relations
The Board actively fosters constructive relationships with its shareholders as appropriate. The Board is at all times aware of the need to protect the interests of the Company and the Company's shareholders, and act in the best interests of the Company.

The Company encourages full shareholder participation at the Annual Meeting to ensure a high level of accountability and identification with the Group's strategies and goals. In addition to this, the Board has continued with an ongoing communication programme with all shareholders.

MG also holds grower shed meetings in key growing regions from time to time. These meetings provide an important opportunity for Directors and senior management to engage directly with shareholders and growers, provide updates on MG and industry matters, and hear first-hand the issues and opportunities affecting growers.

Risk Management
A key role of the Board is to ensure that risk management processes are in place and operating effectively. The Board has undertaken a number of steps to ensure this is carried out including:

- Considering the nature and extent of risk the Board is willing to take to meet the company's strategic objectives and the associated risks;
- Set up internal control processes to ensure management efficiently manage resources in compliance with the risk framework;
- In conjunction with the CEO and senior management, reviewed the effectiveness of compliance with risk management policies and systems; and
- Mandated (as part of its charter) the audit committee to monitor detailed risk management procedures on the Board's behalf.

Board Committees

Audit Committee
The Audit Committee is responsible for the framework of internal control mechanisms that ensure proper management of the Company and Group's affairs. The Committee is accountable to the Board for the recommendations of the external auditors, KPMG, directing and monitoring the audit function and reviewing the adequacy and quality of the annual audit process. The Committee provides the Board with additional assurance regarding the accuracy of financial information for inclusion in the Group's Annual Report, including the Financial Statements. The Committee is also responsible for ensuring that the Group has an effective internal control framework and for the oversight of the Group's Environmental, Sustainability and Governance (ESG) activities and direction.

As in prior years, a comprehensive risk-based approach to the Company and Group's risk management and internal audit processes is undertaken. This approach is wider than the accuracy of external financial reporting / operational activities and extends into overall compliance requirements of the Group. Whilst internal audit, led by the Business Assurance Manager Kimberly Chavez, still ensures that all branches and divisions of MG are subject to regular internal audit visits (on a rotational basis), its increased focus is on making the overall process wider reaching and more regular, to gain a higher coverage of transactions / operations. Other projects include review and relevance of policies, review of subsidiary operations and processes, and assessments of risk within those subsidiaries.

Overall controls reviewed include the safeguarding of assets, maintaining proper accounting records, complying with legislation, including competition law and health and safety requirements, ensuring the reliability of financial information, and assessing business risk.

The Audit Committee continues to monitor domestic and international developments in corporate governance best practices, procedures and policies.

MG AUDIT COMMITTEE	MANAGEMENT ATTENDEES
Joanna Lim (Chair), Shareholder Director	Peter Hendry, CEO
Trevor Burt, Special Director	Duncan Pryor, Company Secretary
Bruce Irvine, Special Director	David Bennett, Chief Financial Officer
Jay Clarke, Shareholder Director	Kimberly Chavez, Business Assurance Manager

Remuneration and Nomination Committee
The Remuneration & Nomination Committee is responsible for the review and administration of director's fees (as noted above), establishing coherent remuneration policies and practices, and the remuneration of the MG Chief Executive and senior management personnel. The Committee also monitors and reports on general trends and proposals concerning employment conditions and remuneration.

The Committee also oversees a Strategic Performance Framework that sets performance-based targets and milestones for the CEO and the senior executive. This framework was implemented in July 2024 and links the implementation of MGs strategy to employee performance. It is used as the basis for determining the variable component of CEO and senior executive remuneration approved by the Board.

For other employees MG operates a discretionary performance-based bonus system based on criteria set by the Committee and approved by the Board.

This Committee has also been delegated the task of reviewing and providing recommendations to the Board in relation to corporate governance and regular reviews of policies and charters such as the Board Charter and Code of Conduct and the Board Capability Framework.

MG REMUNERATION & NOMINATION COMMITTEE	MANAGEMENT ATTENDEES (by invitation)
Trevor Burt (Chair), Special Director	Peter Hendry, CEO
Bruce Irvine (MG Chair), Special Director	Duncan Pryor, Company Secretary
Mark O'Connor, Shareholder Director	
Trudi Webb, Shareholder Director	

Annual Review
This corporate governance statement, and the associated policies and procedures are reviewed on an annual basis.